

MESCALL'S Model D. E. Book-keeper

—AND—

OFFICE GUIDE.

SAID

By Experts in Book-keeping to be the finest Work ever Published.

The classification of the Personal and Real a/cs must strongly commend it to the approval of every thorough book-keeper.

Introducing and illustrating as it does the uses of the various Books, Invoice, Sales or Day-book, Journal, Cash, Bill-book, Receivable and Payable, the departmental system; showing how to open and close a set of books, Journalizing, Posting, the manner of closing the various a/cs dispersed throughout the Ledger, the taking of Stock, (Balance Sheet, showing the Trial Balance, Goods unsold, Profit and Loss a/c, Capital a/c with the total Assets and Liabilities all on one sheet), the closing of the Profit and Loss and Partnership a/cs, what a Balance and a Trial Balance are, Rendering of Statements, &c., exhibiting at a glance a variety of the best forms and methods.

Introducing the special column system in many of the books, details and complicated business transactions requiring many years experience to acquire and become acquainted with, can be seen here instantly.

Making you thoroughly competent to take charge of any set of books and keep them in the most approved and correct manner. A perusal of this work relieves from much anxiety, giving you an assurance and confidence that you are at home in your work, *Calm, Collected, Capable*; giving you also an experience worth many years practice without its inevitable perplexities. Do not be guilty of neglecting so imperative a duty to yourself of procuring a copy at once, it will repay you an hundred fold in being the means of securing for you a much better and more desirable position than you now fill.

Yours respectfully,

J. MESCALL.

BOOK-KEEPING

—BY—

DOUBLE ENTRY.

—WITH—

AN APPENDIX CONTAINING INSTRUCTIONS ON THE
AVERAGING OF A/C'S; ALSO EXPLANATIONS OF
MERCANTILE TERMS AND TRANSACTIONS.

— BY —

JOHN MESCALL

MANY YEARS COUNTING-HOUSE MANAGER TO APPLETON AND
TWEDELL.

TORONTO :

COPP. CLARK & CO, PUBLISHERS, FRONT STREET WEST.

May be had of all Booksellers in Canada and the United State .

RULED SETS
OF
FOOLSCAP PAPER BOOKS,
PAPER COVERS,

SPECIALLY PREPARED AND ADAPTED TO THIS WORK,
CAN BE HAD OF

J. MESCALL,

69 SULLIVAN STREET,

TORONTO.

Entered according to Act of Parliament of the Dominion of Canada, in
the year 1885, by JOHN MESCALL, Toronto, Ontario, in the
Office of the Minister of Agriculture.

CONTENTS.

	Page.
DEFINITIONS.....	4
DAY BOOK.....	5
INVOICE BOOK.....	5
CASH BOOK.....	5
BILL BOOK.....	6
LEDGER.....	6
DOUBLE ENTRY.....	9
Posting the Day Book, Invoice Book, Cash Book and Bill Book.....	10 to 24
Balancing the Ledger.....	25
Taking Stock.....	26
Profit & Loss.....	27
Balance Sheet.....	27
Private Account.....	28

TRANSACTIONS AND BOOKS OF HAMILTON & BOYD, from 31.

DAY-BOOK.
INVOICE-BOOK.
CASH-BOOK.
BILL-BOOK.

WAREHOUSE BOOK.
STOCK BOOK.
LEDGER.
ACCOUNT BOOK.

APPENDIX—Containing

Mercantile Terms, &c.....	82
Average of Accounts.....	86

NOTICE.

Notwithstanding the many publications on bookkeeping it is a lamentable fact that few if any have emanated from practical business experience. The present work will be found an indispensable aid to the accountant, merchant, manufacturer, storekeeper, professional man, mechanic, farmer, students of commercial colleges, &c., school boys and girls whose minds naturally incline to business interest, and consider it amusement rather than a task.

In this work simplicity is the object aimed at and everything unnecessary in the system of keeping accounts has been carefully avoided, the principles of bookkeeping being shown, not by abstract rules, but by examples of the various transactions common in actual business in our best regulated and most successful houses.

The work comprises bookkeeping by double entry with instructions on the averaging of accounts, as also an appendix giving explanations of mercantile terms and transactions.

And is respectfully presented to the public with a confidence, that it will supply a long felt want. .

BOOK-KEEPING.

Bookkeeping is the recording and classifying a merchant's or tradesmans daily transactions, and keeping an account of his property and debts.

The property or capital of persons in business may be comprised under the following heads

- 1st. Stock in trade, goods, warehouses, machinery, ships, &c., employed in the business.
- 2nd. Accounts or debts.
- 3rd. Bills " "
- 4th. Cash " "

A merchant's book ought to show clearly the whole amount of his property, of what it is composed, and also the amount of his debts.

The following are the most important books used:—

Day Book for Goods sold on Credit.

Invoice " " " bought "

Cash " " Cash received and paid.

" " Discount received and allowed.

Bill " " Bills receivable and payable.

Stock " To Contain the inventory of the stock at the time of balancing the books.

Ledger " Contain an abstract of the other books.

The following are also in use:—

Memorandum Book.

Letter "

Various other books are used according to the nature of the business.

DAY-BOOK.

Purpose of, to keep a daily account of all goods sold on credit. When a merchant sells goods on credit, before sending them out he enters in his Day Book the names and addresses of the persons to whom sold, with a description of the goods and their prices, as also any other charges. The particulars of the entries are filled in the inner money columns; the sums total in the outer. Wholesale houses enter the terms, mode of conveyance and salesman's name.

INVOICE-BOOK.

Is used for keeping an account of all goods bought on credit, so called because the entries in it are copied from the Invoices usually sent by post or with the goods. When goods are bought and received the names and addresses of the persons from whom bought and the amount are entered. Instead of copying the Invoices it is more convenient to enter the amount only, the Invoices being preserved for future reference if necessary. They may be kept in a book alphabetically arranged or folded, having the name, date and amount marked on each; or better still, the Invoice Book entries may be numbered, commencing at No. 1, a corresponding number being put on the outside of the Invoice when folded and placed away weekly, monthly, or banded together in parcels of 100 each.

CASH-BOOK.

Contains an account of all the cash you receive and pay away and of the discount allowed by and to you, two pages or more, as seen at pages 86 and 87, being required for the entries; the Dr. or left hand sides for entering the cash you receive and the discount allowed by you; the Cr. or right hand page for the cash you pay away and the discount allowed to you. If each page is ruled only with double money columns the inner column is for the discount, the outer for the cash, the nature of each transaction being distinctly expressed, and the sums received or paid written in the money columns opposite its entry. When you receive payment of an account enter on the Dr. or left hand

side, the name and address of the person from whom you receive the money, and write the amount of cash and discount in the cash and discount columns. When you pay an account enter on the Cr. or right hand side, the name and address of the person to whom paid, and write the amount and the discount in their respective columns. See page 23. In the

BILL-BOOK

Is kept an account of all bills receivable and payable; one portion of the book is kept for bills receivable, the other for bills payable. The names of the persons whom you have received them from, or to whom you may have given them, with the sums, dates and any other particulars. When you discount the bills receivable at the bank, or receive payment of them when due, they are entered in the cash-book, and the dates of being so entered are filled in the bill-book column. See page 54. Bills payable when paid they are entered in the cash-book, and the dates of their being paid entered in the bill-book column. See page 56.

THE LEDGER

Contains an abstract of all the entries made in the other books, the entries through the Day-book, Invoice-book, Cash-book, and Bill-book, are collected in the ledger and arranged in the order of their dates under the names of the various persons or accounts to which they belong. A page or such portion of a page as is likely to be required is assigned to each person or account, each page being ruled with Dr. and Cr. columns, the Dr. on the left hand side, and the Cr. on the right. The amounts of all the Dr. entries belonging to each person are copied one by one into the Dr. sides, and the amounts of all the Cr. entries into the Cr. sides of the respective accounts in the Ledger. The copying of these entries into the Ledger is called posting.

N. B.—The entries of goods on the Dr. side are posted from the Day-book, on the Cr. side from Invoice-book, the entries of cash and bills are posted from the Cash and Bill-books.

N. B.—In ruling off accounts and carrying forward any balance to next accounts, bear in mind that the balance—for example, a Dr. balance—should be carried forward to the Dr. of the next account before it is entered on the Cr. side of the previous account and before being ruled off as settled. This is to prevent forgetting to carry forward the balance which is apt to occur if the account is ruled off first.

JOURNAL.

This book, though not essential, is often used as a matter of convenience in double entry

It contains a monthly abstract of the various entries under the name of any person or thing in the Day-book, Invoice-book, &c., so as the amount of each month be posted in one sum to the Ledger. When a Journal is not used the entries in the Day-book, &c., are posted directly into the Ledger; and when a Journal is used the entries in the Day-book, &c., are first posted in the Journal, and then an abstract of them is posted to their respective accounts in the Ledger.

EXAMPLE.

			Dr.		Cr.	
18						
	5	Geo. Knight, New York.	2200	00		
Mar. 4	11	To Sugar, 20 Hhds.			1200	00
	11	10 " Goods or M'dse.			100	00
	26	11 " Sugar, 15 Hhds.			900	00

These entries are copied from the Day-book. The amount is first posted to the Dr. of Geo. Knight, and at the second posting the different sums are entered to the Cr. of the accounts for Sugar and Goods.

The Journal is dispensed with in the following.

DOUBLE ENTRY.

Bookkeeping by Double Entry. So called because all the entries in the Day-book, Invoice-book, Cash-book and Bill-book are posted twice in the Ledger.

The entries are first posted to the Dr. or Cr. of their accounts, and then a second time to the Dr. or Cr. of some other account. The entries first posted to the Dr. side of the Ledger being posted the second time to the Cr. side, and those first posted to the Cr. side being posted the second time to the Dr. side. Double entry serves the following purposes :—

1st. To test the accuracy of the posting ; the second being a check on the first, as seen at page 77.

2nd. To show the amount of goods bought and sold during the year or any other time.

3rd. To show the profit or loss on the various departments of the business.

4th. To keep separate accounts of the different branches of stock in trade, &c.

POSTING THE DAY-BOOK.

The Day-book may be posted in two ways.

First Posting.—Post all the entries to the Dr. of the various persons.

Second Posting.—At the end of every month add up the sums total that have been filled into the outer columns and post the amount, being the total of goods sold to the Cr. of an account to be opened in the Ledger under the heading Goods, using the words By Credit Sales.

This style of Double Entry is used where the merchant wishes to know the total amount sold, and the profit on the whole, without requiring separate accounts of the different kinds of goods and the profit on each.

EXAMPLE.

January 1st, 18—.

		Jno. Turner,				
		New York.				
/3/	16	Yds. Blk. Cloth, W. C.	3 00	48 00		
	15	" Bro. "	3 25	48 75		
						96 75
		—5th—				
		James Edwards,				
		Albany.				
	2	Hats.....	3 00	6 00		
/1/	2	Silk Hkfs.....	1 00	2 00		8 00
		—27th—				
		Jno. Mescall, Junr.,				
		Buffalo.				
/1/		To Sundries.....				25 00
		—31st—				
		Goods—Cr. By Credit Sales.....				\$129 75

At the first posting these entries appear in the Ledger to the Dr. of each person's a/c.

Dr.		John Turner, New York.		Cr.	
18					
Jan.	1 To Goods...	1	96 75		

James Edwards, Albany.

18							
Jan	5	To Goods.	1	8 00			

John Mescall, Jr., Buffalo.

18					
Jan.	27 To Goods	3	25 00		

At the second posting the sum total of these entries will appear at the Cr. of the a/c for goods.

Goods.

[illegible]

If the first and second posting be correct, on adding together the sums posted to the Dr. of the above a/cs they will equal in amount the sum posted to the Cr. of the goods a/c, being the same amounts posted to two opposite sides of the Ledger. Hence the second posting is a check on the accuracy of the first. The amount of goods sold on credit during the month is shown by this entry on the Cr. side of the goods a/c. The amount of goods bought on credit is shown in the same way by posting the monthly amount of the Invoice-book to the Dr. side of the goods a/c.

The amount of goods bought and sold for cash is shown by posting these items from the Cash-book to the goods a/c.

POSTING THE DAY-BOOK.

2nd. This is another manner of posting the Day-book.

In some houses are kept separate a/cs for the different kinds of goods sold in large quantities, as wine, tea, coffee, sugar, &c., that the merchant may know how much is sold and the profit on each. For this purpose, in entering goods in the Day-book of which separate a/cs are kept, the sum total of each entry is marked in the inner columns under the particulars; and in entering goods of which no special a/c is kept, but posted to the general account for goods, the sum total of each entry is extended to the outer columns.

This distinction carefully attended to, the posting is as follows:

First Posting—Post all the entries to the Dr. of the various parties.

Second Posting—1. Post the entries of goods of which separate a/cs are kept (being those of which the sums total appear in the inner columns) to the Cr. of the a/cs opened under their own headings, as tea, paper, goods on commission, &c.

2. Add up at the end of every month the sums total extended to the outer columns (being the goods of which no special a/c is kept) and post the amount to the Cr. of the goods a/c.

The pages of the Ledger to which the entries are posted the first time is marked on the margin opposite the name of each person, and the pages of the second posting under it and opposite the goods of each entry.

A mark \checkmark is made against the entries that appear in the outer columns to be posted monthly, and the page in the Ledger to which the sum total at the end of the month has been posted is marked on the margin opposite the addition.

As in the former case, if the posting is correct the amounts posted to the Dr. sides will equal those posted to the Cr. sides of the Ledger.

EXAMPLE.

January 1st, 18—

1	James Arnold.			
11	To Paper—100 Reams	2 70	270 00	
	As a separate a/c is kept for paper, the entry is first posted to the Dr. of Jas. Arnold, and then to the Cr. of an a/c to be opened under the head of Paper, using the words By am't Sold J. Arnold.			
	—5th—			
1	John Turner.			
✓ 16	Yds. Blk. Cloth	3 10	49 60	
14	" Bro. do.	3 15	44 10	
	As a separate a/c is not kept for cloth, the sum total is extended to the outer column, a mark ✓ being made in the margin showing this has been done.			
	The entry is first posted to the Dr. of John Turner, and at the end of the month to the Cr. of the general a/c under the head of Goods.			
	—27th—			
3	W. Harper.			
✓ 6	Prs. Kid Gloves	70	4 20	
4	" 1/2 Hose	20	0 80	
25	Yds. Carpet.....	60	15 00	
	Posted in the same way as the last entry to general a/c for Goods.			
	—28th—			
2	Thos. Dundas.			
14	To Tea.....500 lb	1 00	500 00	
	As a separate a/c is kept for Tea, the entry is first posted to the Dr. of T. Dundas, and then to the Cr. of Tea a/c, using the words By Sold to,			
	Over.....			113 70

January 31st, 18—

		Forward.....			113 70
4		Robert Ireland.			
✓	10	Pcs. Flannel.....	205	40	82 00
	7	" Cotton.....	300	10	30 00
		Posted in the same way as the entry to John Turner.			112 00
2		Alex. Gregory.			
12	100	Reams Paper.....	3 50		350 00
	100	" ".....	4 30		430 00
		Charges, &c.....			10 00
18		Insurance on \$800.00 @ 1 %.....			790 00
18		Commission.....			8 00
					0 80
		This entry is first posted in one sum to the Dr. of A ex. Gregory, To Goods or Sundries \$798.80, and then the separate sums for Paper, Insurance, Commission to the credit of their respective a/cs,			798 80
12		Goods—Cr. by Credit sales.....			225 70
		Sum total of the entries extended to the outer columns, to be posted at end of the month to the general a/c for Goods.			

At the first posting these entries appear in the Ledger to the Dr. of the following a/cs.

Dr.

Jas. Arnold.

Cr.

18									
Jan.	7	To Goods...	1	270 00					

Jno. Turner.

18									
Jan.	5	To Goods..	1	93 70					

W. Harper.

18									
Jan.	27	To Goods	3	20 00					

Th. Dundas.

18									
Jan.	28	To Goods...	3	500 00					

Robt. Ireland.

18									
Jan.	31	To Goods...	3	112 00					

A. Gregory.

18									
Jan.	31	To Goods or Sundries	3	798 80					

At the second posting the entries will appear at the Cr. of the following a/cs:—

Goods (general a/c).

				18					
				Jan. 31	By Credit Sales...	3	225	70	

Paper.

				18					
				Jan. 1	By Sales—J. Arnold...	1	270	00	
				" 31	" " A. Gregory...	3	790	00	

Tea.

				18					
				Jan. 28	By Sales—T. Dundas...	3	500	00	

Insurance.

				18					
				Jan. 31	By Charged to A. Gregory...	3	800		

Commission.

				18					
				Jan. 31	By Charged to A. Gregory ...	3			

POSTING THE INVOICE-BOOK

May be done by any of the methods described at pp. 10 & 12.
First Posting.—All the entries are posted to the Cr. of the various accounts.

Second Posting.—All the entries are posted to the Dr. of the various accounts.

EXAMPLE.

The following entries are posted according to the method described at page 12; separate accounts being kept for paper, coffee, insurance, commission.

January 1st, 18—

5	John Watson.				
11	260 Reams Paper.....	2 80	700 00		
	First posted to the Cr. of J. Watson and then to the Dr. of Paper, To am't Bought from J. Watson.				
6	Thos. Johnston.				
✓ 25	Pcs. Blk. Cloth.....	525 2 90	1522 50		
10	" Doeskin.....	210 70	147 00		
				1669 50	
	— 30th —				
7	James Reid.				
✓ 8	Pcs. Satin.....	220 65	143 00		
12	" Fch. Cashmere.....	360 1 00	360 00		
	These last two entries after being posted to the Cr. of Thos. Johnston and Jas. Reid are at the end of the month posted the second time to the Dr. of the Goods a/c, the sums being extended to the outer columns for this reason.				
				503 00	
	Over.....			2172 50	

January 31st, 18—

	Forward			2172 50
6	William Graham, Kingston.			
13	By Coffee.....3,000 lbs.	25	750 00	
17	" Insurance.....		15 00	
17	" Commission		1 50	
	First posted in one sum to the credit of Wm. Graham, and the separate sums for Coffee, Insurance and Commission to the Dr. of their respective a/cs.		766 50	
11	Goods—Dr. to Cr. purchases.....			2172 50
	Sum total of the entries which have been extended to the outer columns, to be posted at end of the month to general a/c for Goods.			

POSTING THE CASH BOOK.

First Posting.—All the entries on the Dr. side are posted to the Cr. of the persons from whom, or the transactions on account of which, the cash has been received.

All the entries on the Cr. side are posted to the Dr. of the persons to whom, or the transactions on a/c of which, the cash was paid.

To save room in the Ledger, the entries under the following heads are not posted one by one as usual, but have the sum total of each posted at the end of every month to their respective a/cs, as seen at pages 20 to 23, namely :

On the Dr. side—

Cash Sales.

Bills Receivable.

On the Cr. side—

Cash Purchases.

Bills Payable.

Trade Expenses.

Second Posting.—The sum total of the cash on the Dr. side is posted every month to the Dr. of an a/c to be opened under the head of Cash, using the words *To Amount Received from Sundries, or To Sundries.*

The sum total of the cash on the Cr. side is posted every month to the Cr. of the a/c for cash, using the words *By Amount Paid to Sundries, or By Sundries.*

The sum total of the discount on the Dr. side is posted every month to the Dr., and on the Cr. side to the Cr. of an a/c to be opened under the head of Discount, using the words *To Amount Allowed to Sundries, and By Amount Allowed by Sundries, or To and By Sundries.*

Dr.

CASH.

	Jan.		Cash Sales.	Bills Rec'd	Discount.	Cash.
15	1	J. Hamilton, cash at com- mencing...				8000 00
		R. Boyd, do. do. ...				8000 00
		These sums being the capital the partners begin with, are posted to the Cr. of J. Hamil- ton and R. Boyd.				
v	3	Cash sales.....	18 00			18 00
		The various entries for Cash Sales, besides being entered as usual in the cash columns, are also filled into the column for Cash Sales and posted in one sum at end of the month. (See page 22.)				
I		Jas. Arnold.....			64 00	1280 00
		The Cash and Discount are posted to the Cr. of Jas. Arnold				
v	10	Cash Sales.....	31 00			31 00
v	16	Bills Rec., No. 1 disc't'd...		200 00	1 00	199 00
		The various entries for Bills Rec., including Cash and Dis- count, besides being entered as usual in the Cash and Discount columns, are also filled into the columns for Bills Receivable, and posted in one sum at the end of the month. (See p. 22.)				
v	20	Cash Sales.....	14 10			14 10
		N B.—Payments for build- ings, &c, when of large amount, are posted to a separate a/c, under their own heading, but when of small amount may be entered under the head of Trade Expenses.				
			63 10	200 00	65 00	17542 10

CASH.

Cr.

18—	Jan.	Cash Prchs	Bills Payble	Trade Expns	Dis- count.	Cash
9	1 Bank.....					4800 00
	Posted to the Dr. of Bank.					
✓	" Cash Purchases.....	43 00				43 00
	The various entries for Cash Purchases besides being entered in the cash columns, are also filled in the columns for Cash Purchases, and posted in one sum at the end of the month. (See page 23.)					
12	" Office furniture.....					500 00
	Entries of this nature are posted to the Dr. of an a/c to be opened under the head of Office Furniture.					
11	4 Sugar duty, \$28 00.....					43 00
	Freight, \$15 00.....					
	These payments are posted to the Dr. of sugar, using the words To Cash.					
✓	7 Cash Purchases.....	13 50				13 50
✓	10 Wages.....			20 00		20 00
	The various entries for Trade Expenses, besides being entered as usual in the cash columns, are also filled into the column for Trade Expenses and posted in one sum at the end of the month. (See page 23)					
✓	13 Bills Payable, No. 1.....	400 00				400 00
	The various entries for Bills Payable, besides being entered as usual in the cash columns, are also filled into the columns for Bills Payable and posted in one sum at the end of the month. (See page 23)					
		56 50	400 00	20 00	0 00	15819 50

Dr.

CASH.

18—		Cash Sales.	Bills Rec'd	Discount.	Cash.
Jan.	Forward.....	63 10	200 00	65 00	17542 10
v 28	Bills Rec., No. 2, Disc'd...		235 00	2 00	233 00
9 "	Un. Bank.....				400 00
	Posted to the Cr. of Bank.				
10 31	Goods Cash Sales.....	63 10			
	This is the sum total for the month and is posted to the Cr. of an a/c to be opened under the head of Goods By Cash Sales.				
9 "	Bills Receivable.....		435 00		
	This is the sum total for the month, including the Cash and Discount, and is posted to the Cr. of the a/c for Bills Rec. (see page 90), using the words By Cash and Discount.				
	SECOND POSTING.				
12 "	Discount Dr.—				
	To amount allowed to Sundries.....			67 00	
12 "	Cash Dr.—				
	To amount received from Sundries.....				18175 10
	The Bank entries are usually posted in one sum at the end of the month the same as Cash Sales, &c., by using additional columns.				

CASH.

Cr.

18—.		Cash P'rchs	Bills Payable	Trade Expn's	Dis- count.	Cash
Jan.	Forward.....	56 50	400 00	20 00		15819 50
15	31 R. Boyd.....					80 00
	Posted to the Dr. of R. Boyd.					
10	" Goods Cash Purchases.....	56 50				
	This is the sum total for the month and is posted to the Dr. of Goods, using the words To Cash Purchases.					
9	" Bills Payable.....		400 00			
	This is the sum total for the month and is posted to the Dr. of the a/c for Bills Payable (see page 90), using the words To Cash.					
13	" Trade Expenses.....			20 00		
	This is the sum total for the month, and is posted to the Dr. of an a/c opened under the heading Trade Expenses.					
	Cash in hand.....					2275 60
	SECOND POSTING.					18175 10
12	" Discount Cr.—					
	By amount allowed by Sundries.....					
2	" Cash Cr.—					
	By amount paid to Sundries.....					15899 50
	Total Cash 18175 10					
	Less cash in hand 2275 60					

POSTING THE BILL-BOOK.

First posting.—Bills received are posted to the Cr. of the person from whom received.

Bills payable to the Dr. of the persons to whom they have been granted.

Second posting.—Bills received—Add at the end of every month the amount of bills received and post the sum total to the Dr. of an a/c to be opened under the head of Bills Receivable, using the words To Sundries.

Bills payable—Add at the end of every month the amount of bills granted and post the sum total to the Cr. of an a/c to be opened under the head of Bills Payable, using the words By Sundries.

EXAMPLE.

Bills Receivable.

	When Rec'd.	No	From whom received	Amount.	Date.	Term.	When Due.	Entr'd in Cash Bk.
	18				18		18	18
2	Jan. 10	1	Smith, Buffalo...	200 00	Jan. 8	1 mo.	Feb. 11	Jan. 11
2	" "	2	Brown, Rochest'r	250 00	" "	2 "	Mar. 11	" 31
3	" 21	3	Jones, Albany...	300 00	" 20	4 "	May 23	Feb. 2
3	" 31	4	Robinson, N. Y'k	350 00	" 28	3 "	" 1	Mar. 10
9			Bills Rec'ble—Dr. to Sundries.....	1100 00				

Bills Payable.

	When Granted.	No	To whom Granted.	Amount.	Date	Term.	When Due.	Entr'd in Cash B'k
	18				18		18	18
5	Jan. 10	1	Smith, Buffalo...	1200 00	Jan. 10	10 days	Jan. 23	Jan. 23
6	" 20	2	Brown, Rochest'r	500 00	" 20	10 days	Feb. 2	Feb. 2
6	" 20	3	Jones, Albany ...	250 00	" 20	1 mo.	" 23	" 23
9			Bills Pay'ble - Cr. by Am't granted to Sundries.....	1950 00				

BALANCING THE LEDGER.

The Ledger is balanced at the end of the year, or any time when a view of your affairs is needed.

NOTE.—After the books have been all posted, and previous to balancing the Ledger, every entry should be compared with that in the book from which taken, to ascertain that it has been posted correctly.

All the a/cs in the Ledger may be comprised under three heads :

1. Personal a cs, for individuals.
2. Property do., for the different kinds of goods and property.
3. Profit and Loss do., for showing the profits or losses on the various transactions.

The personal a/cs, or those for persons, are balanced, all the Dr. balances being carried to the Dr. and all Cr. balances to the Cr. of the next a/cs.

Accounts Peculiar to Double Entry.—The following or others of a similar nature are named Property A/cs.

Goods or Mdse.	Cash.
Teas, Paper, Sugar, etc.	Bills.
Counting House Furniture, etc.	

The following, with others of a similar nature, are called Profit and Loss A/cs.

Discount.	Commission.
Interest.	Trade Expenses.
Insurance.	Bad Debts.

All these a/cs, with the exception of Cash and Bills, are balanced by carrying the balance to the Dr. or Cr. of a general a/c to be opened under the head of Profit and Loss, as seen under their several a/cs in the following Ledger pages 70 to 77. The a/cs for Cash and Bills are balanced like the personal a/cs by carrying forward the Dr. and Cr. balances to the Dr. and Cr. of next a/cs, see pages 68 and 71.

Trial Balances.—As a check on the accuracy of the posting and balancing, and preparatory to a final balance, all un-

settled balances on the Dr. side of the Ledger are added together in one amount, and those of the Cr. side in another; if right, the two sums will be equal; if not, an error has been made, and must be found and rectified.

TAKING STOCK.

An Inventory of Goods or Stock on hand should be taken at least once annually to know the state of your affairs.

A list of all goods for sale and on hand at time of taking stock, with the prices, is entered in a book for the purpose, called the Stock-book, the goods being valued at cost or below cost, as allowance for bad stock or depreciation in value.

In balancing the a/cs in the following Ledger for Goods, Coffee, and Wine, the amount of goods on hand requires to be entered in the various a/cs as seen in the Ledger, pages 69 and 70.

The amount of stock of a more permanent nature, as buildings, machinery, etc., is also entered, the value being found from their a/cs in the Ledger. In such a/cs an annual deduction of 5 to 10% is made from the original cost for wear and tear. See Counting Room furniture at page 71.

Goods on Commission are not entered with the other goods, but in a separate list, as belonging to the persons who sent them for sale. The amount in hand, however, is entered in the Ledger to the Dr. of the persons from whom got, to know the balance due them, as also to the Cr. of the a/c for Goods on Commission. See Ledger, pages 65 and 69.

PROFIT AND LOSS

On the various transactions of the year or any other time is found from an a/c to be opened under the head of Profit and Loss.

This a/c is formed by entering—

On the Dr. side

The Losses—as Bad Debts, Trade Expenses, &c.

On the Cr. side

The Profits—as profit on Goods, Sugar, Paper, Commission, &c.

These profits or losses are found from their a/cs in the Ledger, from which they are transferred; the a/c being balanced when the transfer is made.

The Profit and Loss a/c is balanced by carrying the profit if any to the Cr. (or the loss to the Dr.) of the Private a/c.

See Profit and Loss a/c, page 73.

THE BALANCE-SHEET

Is made out at the end of the year or when you wish to know the state of your affairs.

On the Dr. side are entered—

Your liabilities or what you owe.

On the Cr. side—

Your assets. The sums due you and your property of every kind.

The difference between the two sides is the nett amount of your capital.

All the particulars of the Balance-Sheet are taken from their respective accounts in the Ledger.

The balance-sheet of Hamilton & Boyd, to whom the following books are supposed to belong, may be seen at pages 74 and 76.

THE PRIVATE A/C

Is kept and balanced as under.

On the Dr. side are entered

The various sums drawn from the business on your own a/c.

On the Cr. side

The sum you put in the business at starting and any sums paid in after.

Interest 5 % on the amount.

The profit (if any) during the year or any other time.

The interest and the profit are brought from the Profit and Loss a/c when balancing your affairs. The Profit and Loss a/c is balanced off when the transfer is made.

If, instead of a profit, there has been a loss, it is carried to the Dr. of your a/c.

The private a/cs of J. Hamilton and R. Boyd may be seen page 74.

DOUBLE ENTRY.

THE BOOKS

—OF—

HAMILTON & BOYD.

	PAGE.
DAY-BOOK.....	31
INVOICE-BOOK	43
BILL-BOOK.....	54
CASH-BOOK.....	48
WAREHOUSE-BOOK.....	47
STOCK-BOOK.....	59
ACCOUNT-BOOK.....	75
LEDGER.....	60

DIRECTIONS.

Care should be taken to enter correctly the original sums in the Day-book, &c., as errors made at first are continued in the Ledger, and not easily found out.

After the entries for a month or other time have been posted, they should be compared with the corresponding entries in the Ledger, to find the posting is correct.

The manner of rectifying some of the errors apt to occur in posting may be seen in the a/cs of J. Arnold and J. Edwards (page 60) and T. Dundas (page 61).

The Day-book and Invoice-book are posted by the method shown at pages 10, 12 and 17, separate a/cs being kept for Goods on Commission, Paper, Wine, Tea, Coffee, Sugar, Insurance, Interest, Commissions. All such entries are, therefore, at the second posting, posted separately to their own a/cs, having the posting marked thus: $\frac{2}{6}$

The entries for all other goods are posted in one sum at the end of the month to the general a/c for goods, having the posting marked thus: $\frac{3}{7}$

N.B.—If H. and B. wanted to know merely the amount of goods bought and sold without any separate a/cs, the sums total of all the entries would be extended to the outer columns and the whole amount posted monthly to the goods a/c.

DAY-BOOK.

N. York, January 1st, 18--

I		James Arnold.			
10	100	Reams Printing.....	370	370 00	
	75	Do.	460	345 00	
	100	Do.	450	450 00	
	20	Do.	390	78 00	
	50	Do.	470	285 00	
		For posting the Day-Book see pp. 10 and 12.		1528 00	
		— 2nd —			
I		Jno. Turner.			
V	16	Yds. Blk. clo.....	310	49 60	
	14	" Bro. Do.....	315	44 10	
	8	" Doeskin.....	70	5 60	
	4	" Do.	80	3 20	102 50
		— 3rd —			
I		Jas. Pringle.			
II	2	Pipes Port Wine.....	300 00	600 00	
	1	" " "		288 00	
				888 00	
		— 5th —			
I		Jas. Edwards.			
IO	2	To Goods on Commission—	270	5 40	
	4	Brown's Philosophy.....	70	2 80	
	3	" Natural History.....	135	4 05	
	2	" Poems.....	75	1 50	
		" "		13 75	
		Over.....			102 50

N. B.—The words Day-Book, Invoice-Book &c. printed at the tops of the page here are intended to show one book from another. In actual business the names of the different books are lettered on the backs.

Jan. 8th, 18—.

		Forward.....				102 50
2		T. Dundas.				
11		To Tea—7 chests Hyson.				
		W.B. 1 Gro. 84 lbs. Tare 19				
		2 82 17				
		3 85 18				
		4 83 21				
		5 80 19				
		6 84 17				
		7 86 19				
		584				
		130				
		454 95		431 30		
		—10th—				
2		F. Milner.				
10		Pcs. Blk. Cloth..... 206	370	762 20		
1		Ea. Doeskin 20, 22, 42	75	31 50		
1		" Flannel 22	40	8 80		
						802 50
		—12th—				
1		Jas. Pringle.				
11	12	Tierces Coffee. Gro. 6627 lbs.				
		Tare 677 5950	35	2082 50		
		—16th—				
2		A. Gregory.				
10	100	Reams Paper.....	350	350 00		
	100	" "	420	420 00		
		Shipping Charges.....		10 00		
		Insurance on 800 @ 2½%.....		780 00		
13		Commission		20 00		
13				2 50		
		25 Bales A. G. 1/25				
		Shipped per The Mary.		802 50		
		Over.....				
						905 00

January 17th, 18—.

	Forward.....			905 00
2	Jno. Addison.			
✓ 25	Yds. Carpet.....	60	15 00	
30	" "	65	19 50	
25	" "	75	18 75	53 25
3	W. Forbes.			
✓ 6	Prs. Kids.	70	4 20	
4	" 1/2 Hose.....	25	1 00	5 20
	—20th—			
3	Richd. Hall	(@ 72 days.)		
11	To sugar, (from J. Cameron, Cuba.)			
	6 hhds. 1451 lb. Tare, 101			
	1632	128		
	1583	138		
	1729	154		
	1806	118		
	1676	140		
J. C. 1 to 6.	9877	779		
	779			
	9098	09	818 82	
	It is usual as above to mark the time at which goods are to be paid for.			
				963 45

January 25th 18—.

		Forward.....			963 45
3		G. Campbell.			
11	6	Tierces Coffee—Gro. 550 Tare 62			
		578 59			
		512 67			
		533 60			
		629 62			
		614 53			
		3416 363			
		363 3053 32 1/2	992 23		
		—30th—			
3		G. Smith.			
11		To Tea (from W. Black, Canton)—			
10		Chests Y. Hyson, Gro. 1152			
		Tare 287 865 65	562 25		
		W.B. 8 to 17			
		—31st—			
10		Goods Cr. by Credit Sales.....			\$963 45

February 1st, 18—.

4		Robt. Ireland.							
✓	10	Pcs. Flannel.....	200	42½	85	00			
	8	" Linen Fronting, 30 ea...	240	55	132	00			
	6/50	" " Sheeting.....	300	50	150	00			
	7/40	" T Cotton.....	280	12½	35	00			
	2	" Delaine, 1/29 1/30	59	22½	13	28			
	3/12	" Lawn.....	36	55	19	80			
		—4th—							435 08
2		Jno. Addison.							
✓	150	Prs. Blankets.....		350	525	00			
	60	" "		380	228	00			
	20	Pcs. Blk Silk.....	396	90	356	40			
	6	" " Cloth.....	124	300	372	00			
	4	" " Doeskin.....	86	75	64	50			
		—7th—							1545 90
4		A. Logan.							
✓	1	Pipe Port Wine.....			305	00			
	2	" " "	29200		584	00			
	1	" " "			300	00			
		—9th—							1189 00
3		Geo. Smith.							
✓	3	Chests Oranges.....		900	27	00			
	2	Boxes Lemons.....		1740	34	80			
	3	Tubs Butter.....	200	15	30	00			
	3	Mats Cocoa — Gro. 1727							
		Tare 77 1650		12½	206	25			
		—14th—							298 05
3		W. Forbes.							
✓	2	Pcs. Silk Velvet, 1/30 1/33...	63	500	315	00			
	4/30	" Fch Cambric.....	120	125	150	00			
		Over.....							2744 03

February 18th, 18—.

		Forward.....				2744 03
2		A. Gregory, Calcutta.				
10	120	Reams Paper.....	355	426	00	
	84	" "	440	193	60	
	50	" "	445	222	50	
		Shipping Expenses.....		10	00	
				852	10	
13		Insurance on 1000.00 @ $2\frac{1}{2}\%$ 25.00		25	00	
13		Commission..... 5.00		5	00	
		30 Bales A. G. 1 to 30. Shipped per the Amelia.		882	10	
1		J. Arnold.				
10		To Goods on Commission.				
	6	Moore's Poems.....	70	4	20	
	4	Gibbon's Rome.....	900	36	00	
	6	Modern Europe.....	800	48	00	
	2	Shakespeare.....	500	10	00	
	1	Goldsmith's Poems.....		2	50	
				100	70	
		—19th—				
2		F. Milner.				
11	6	Tierces Coffee—Gro. 3327				
		W. G. 21/6 Tare 350 2977 324		967	53	
		—20th—				
4		T. Simpson.				
11	1	Pipe Port Wine.....		305	00	
		Over.....				2744 03

February 27th 18—.

	Forward.....					2744	03
3	R. Hall.						
v 2	Boxes Raisins	110	10	11	00		
2	Creamery Cheese	120	10	12	00		
2	Tub Butter	180	15	27	00		
3	Boxes Lemons		1650	49	50		
						99	50
	—28th—						
10	Goods Cr. by Credit Sales.....					2843	53

March 1st 18—

5	W. Jordan.				
✓	12 Pcs. French Cashmere.....	350	95	332	50
	6 Dox. Handkerchiefs.....		720	43	20
	3 " do.		900	27	00
	6 Prs. Blankets		380	19	80
					422 50
5	W. Thomson.				
✓	12 Silk Hats.....		235	28	00
	2 Pcs. Satin..... 1/20, 1/22, 42		35	14	70
	3 " Muslin.....		40	25	10 00
	6 " Print.....	165	12 1/2	20	63
					73 53
	— 4th —				
5	C. Knight. (@ 26 days.)				
11	To Sugar (from J. Cameron, Demerara.)				
	16 Hhds. J. C. 7 to 22.				
	Gro. 20800				
	Tare 1600	19200	060	1152	00
1	J. Arnold.				
10	To Goods on Commission.				
	12 Gerald Griffin's Works.....		70	8	40
	16 Moore's Poems.....		325	52	00
	3 Modern Europe.....		740	22	20
					82 60
	— 6th —				
2	Th. Dundas.				
11	To Tea (from W. Black, Canton).				
	6 Chests Y. Hyson—Gro. 484				
	Tare. 114	370	90	333	00
	Over.....				496 03

(9)

DOUBLE ENTRY.

39

March 9th, 18—

		Forward.....				496 03
3		Geo. Campbell.				
11		To Tea (from W. Black, Canton)—				
9		Chests Congou, Gro. 960				
		W. B. 25 to 34. Tare 198 762	70	533 40		
		— 11th —				
5		Geo. Knight.				
✓ 2		Boxes Oranges.....	910	18 20		
1		Cask Cocoa, Gro. 427				
		Tare 27 400 12 1/2		50 00		
2		Boxes Raisins..... 120 10		12 00	80 20	
		— 14th —				
1		J. Pringle.				
✓ 30		Cheeses..... 356	7	24 92		
3		Casks Cocoa, Gro. 1329				
		Tare 102 1227	15	184 05		
1		Box Lemons		17 50	226 47	
1		Jno. Turner.				
✓ 10		Pcs. Blk. Cloth..... 230	350	805 00		
10 21		" " Doeskin..... 210	95	199 50	1004 50	
		— 16th —				
5		W. Thomsom.				
✓ 6		Silk Umbrellas..... 230		13 80		
4		Alpaca "	95	3 80		
2		Pcs. Shirting, 1/40 1/44..... 84	15	12 60		
3		" Linen Sheeting..... 146	35	51 10	81 30	
		Over.....			1888 50	

March 16th 18—

		Forward.....			1888 50
2		Th. Dundas.			
11	6	Tierces Coffee Gro 3327			
		Tare 327.....3000	32	960 00	
		—18th—			
1		J. Arnold.			
10	105	Reams Paper.	360	378 00	
	73	" Do.	480	350 40	
	180	" Do.	340	612 00	
		—19th—		1340 40	
4		J. Pringle.			
11	6	Tierces Coffee Gro 4000			
		Tare 400.....3600	32 1/2	1170 00	
		—22nd—			
4		R. Ireland.			
v 12		Pcs. Linen Fronting.....205	55	112 75	
	6	" Fch. Merino.....170	35	59 50	
	8	" Scotch Cambric.....96	25	24 00	196 25
		—26th—			
5		G. Knight.			
11		To Sugar—(from J. Cameron, Dem- erara.)—			
	20	Hhds. Gro. 31125			
		J. C. 23/42 Tare 2645...28480	9 1/2	2705 60	
					2084 75

March 26th 18—

1	Forward..... Jno. Turner.		2084 75
✓ 30	Yds. Blk. cloth	390	117 00
25	" Bro. "	340	85 00
12	" Doeskin	100	12 00
			214 00
5	—28th— W. Jordan.		
✓ 60	Prs. Blankets.	640	384 00
50	" "	580	290 00
26	" "	660	171 60
1/20	Pcs. Fch. Cashmere	120	312 00
			1157 60
4	—29th— Jas. Pringle.		
11	To Sugar—(from James Cameron Demerara).—		
8	Hhds. 1482 Tare 158		
	1534 151		
	1779 106		
	1633 182		
	1826 133		
	1551 109		
	1602 130		
	1730 176		
	13137 1145		
	1145 11992.	9 1079 28	
9	—31st— Bank.		
12	To Interest Jan. 1st to March 31st.		85 00
	Over.....		3456 35

March 31st, 18—.

	Forward.....				3456 35
6	J. Wilson.				
13	To Commission 10% on sales. \$120.00		12 00		
	This is the charge for selling J. Wilson's Goods.				
11	Tea (from W. Black, Canton)—				
12	To 3 m'ths Int. on Cash				
	paid Freight, Duty,				
	&c..... (\$1112.00)				
13	" Commission, 5 % on		19 46		
	sales..... (\$1859.95)		93 00		
11	Sugar (from J. Cameron, Demerara)				
12	To Int., 4 m'ths, on Cash				
	paid Freight, Duty,				
	&c..... (\$2791.00)				
13	" Commission, 5 % on		65 22		
	sales..... (\$5755.70)		287 79		
	The Tea and Sugar were received from W. Black and J. Cameron to sell on commission, and when the a/cs showing how much has been sold are to be made up and sent them, the Interest and Commission is charged as above.				
10	Goods—Cr. by Credit sales.....				3456 35

INVOICE-BOOK.

N. York, January 1st, 18—

5	Jno. Watson.				
10	250 Reams Printing.....	280	700 00		
	310 " Do.	340	1054 00		
	100 " Do.	310	310 00		
	For posting the Invoice-Book see page 17		2064 00		
6	Th. Johnson.				
v	25 Pcs. Blk. clo.....	525	290	1522 50	
	22 " Bro. Do.....	462	280	1293 60	
	10/21 " Doeskin	210	70	147 00	2963 10
6	Irving & Co. Oporto.				
11	10 Pipes Port Wine per the Annie.....	140 00	1400 00		
13	Insurance.....		35 70		
13	Commission on \$35 70.....		1 80		
			1437 50		
6	—6th—				
6	Jno. Wilson.				
10	6 By Goods on Commission—				
	6 Brown's Philosophy.....	240	14 40		
	6 Moore's Poems.....	120	7 20		
	4 Goldsmith's Do.....	90	5 40		
	Natural History.....	60	2 40		
			29 40		
			2963 10		

Jan. 12th, 18—.

6	Forward.....				2963 10
11	18 W. Graham, Kingston, Jamaica.				
	Tierces Coffee (per the Mary)				
	W.G. Gro. 6652				
	W.G. Tare 6-6..	5976	22 1/2	1344 60	
	W.G. Gro. 3407				
	W.G. Tare. 357.....	3050	20	610 00	
13	Insurance.....			1954 60	
13	Commission on \$5.00.....			50 00	
				5 00	
				2009 60	
	—15th—				
7	D. Mortimor & Son				
7	By Goods as per Invoice.....				2288 70
	Many houses enter only the amount of Invoice.				
	—16th—				
7	Marine Insurance Co.				
13	By Insurance on Goods to A. Gregory Calcutta.....			20 00	
5	Jno. Watson				
10	175 Reams Paper.....	280		490 00	
220	" Do.	340		748 00	
100	" Do.	295		295 00	
				1533 00	
7	J. Reid.				
7	By Goods as per Invoice.....				469 70
	—25th—				
7	A. Robertson & Co.				
11	6 Tierces Coffee Gro. 4000				
	Tare 400.....	3600	25	900 00	
	—31st—				
10	Goods Dr. to credit purchases.....				5721 50

(3)

INVOICE-BOOK.

45

February 1st, 18—.

7	D. Mortimer & Son.			
v 60/	30 Pcs. DeLaine.....	18 00	22 1/2	405 00
25	" Print.....	75 0	12 1/2	93 75
20	" Twilled Cotton.....	85 0	10	85 00
				583 75
	—6th—			
7	A. Robertson & Co.			
v	By Goods as per Invoice.....			825 50
	—12th—			
6	W. Graham, Kingston, Jamaica.			
	(per The Jane).			
11	12 Tierces Coffee. Gro. 66 54			
	Tare 68 0	59 74	20	1194 80
13	Insurance.....			34 00
13	Commission, 10% on 34 00.....			3 40
				1232 20
	—16th—			
7	J. Reid.			
v 8	Pcs. Satinett.....	21 0	65	136 50
12	" French Cashmere.....	38 0	95	361 00
				497 50
	—17th—			
6	Jno. Wilson.			
10	By Goods on Commission.			
6	His. Rome.....	7 00		42 00
8	Modern Europe.....	6 10		48 80
2	Shakspeare.....	4 80		9 60
1	Byron's Poems.....			3 50
				103 90
	—24th—			
8	Jno. Anderson.			
v	By Goods as Invoice.....			293 30
	—28th—			
10	Goods—Dr. To Credit Purchases...			2200 05

INVOICE BOOK—MODE NO. 2.

Ledger Fol.	Names.	Terms.	Invoice No.	General Goods a/c	Goods on Com.	Tea.	Coffee.	Sugar.	W ne.	Paper.	Total.
7	March 1st, 85.— J. Reed.....	5/30	1	1134 70							1134 70
6	—4th.— J. Wilson.....		2		345 90						345 90
6	—13th.— T. Johnston.....		3	3031 50							3031 50
8	—16th.— R. Cunningham.....		4	495 15							495 15
7	—20th.— J. Reed.....		5	585 35							585 35
7	—26th.— D. Mortimer.....		6	394 70							394 70
31	Goods Dr. to Credit Purchases.....			5641 40 /10/	345 90 /10/						5987 30

THE WAREHOUSE-BOOK

Used for keeping an account of the quantities of goods taken into or sent out from the warehouse. Used chiefly in those cases where goods are bought and sold in quantities at a time. The quantity sold and on hand of any description of goods can be known at once on turning up the page where the a/c is kept, careful to have an index of the different a/cs entered.

The manner of keeping the book varies. In the following is shown a method useful in ordinary cases.

The two a/cs below are for Tea and Sugar received on commission from J. Cameron and W. Black, and which are entered in the preceding Day-book as sold to the various persons named.

The quantities are entered on the Dr. side on being received and on the Cr. side when sold.

Tea.

18—	Ch'sts.	18—	D. B'k. Page.	Cheats
Jan. 6 To Recd. from W. Black, Canton, per the Mary.	40	Jan. 8 By sold to	2	7
		30 " "	4	10
		Mar. 6 " "	8	6
		9 " "	9	9
		31 " on hand forward.....		8
Apr. 1 " On hand.....	8			40

Sugar.

18—	Hhds.	18—	D. Bk. Hhds.
Jan. 1 To Recd. from J. Cameron, Demerara, per the Jane.	50	Jan. 20 By sold to.	3 6
		Mar. 4 " "	8 16
		26 " "	10 20
		29 " "	11 8
	50		
	50		

Dr.

CASH.

18— Jan.		Cash Sales.	Bills Rec'd	Discount.	Cash.
15	1 J. Hamilton—Cash at com- mencing.....				8000 00
15	1 R. Boyd—Cash at com- mencing.....				8000 00
✓	1 Cash sales.....	30 10			30 10
I	3 J. Arnold.....			76 40	1451 60
I	4 J. Pringle.....			44 40	843 60
✓	4 Cash sales.....	38 20			38 20
I	5 J. Turner.....			5 13	97 37
✓	5 Cash sales.....	40 40			40 40
9	6 Un. Bank.....				600 00
I	9 J. Edwards.....			0 69	13 06
✓	" Cash Sales.....	31 20			31 20
✓	11 Bills Rec., No. 1 Disc't'd....		200 00	1 00	199 00
9	12 Un. Bank.....				800 00
2	15 F. Milner.....			40 13	762 37
2	20 J. Addison.....			2 66	50 59
✓	22 Cash Sales.....	58 10			58 10
9	23 Un. Bank.....				1500 00
✓	31 Cash Sales.....	30 35			30 35
✓	" Bills Rec., No. 2 Disc't'd....		231 30	1 50	229 80
10	" Goods—Cash Sales.....	228 35			
9	" Bills Receivable..... (Cash and Discount.)		431 30		
NOTE.—In the Cash-book used in actual business the dates are placed in the centre of each page, instead of the margin as above, the same dates being placed opposite each other on the Dr. and Cr. sides—Jan. 1st op- posite Jan. 1, Jan. 2nd opp. Jan. 2, and so on.					
SECOND POSTING.					
12	Disc't—To am't allowed to Sundries...			171 91	
	Cash—To am't Rec. from Sundries.....				22775 74

(2)

DOUBLE ENTRY.

49

CASH.

Cr.

		Cash P'rchs	Bills Payble	Trade Expn's	Dis- count.	Cash.
14—	Jan					
9	1 Un. Bank.....					10800 00
✓	1 Coods—Cash Purchases.....	43 00				43 00
12	" Counting House Furniture					500 00
11	" Sugar (per The Jane).....					
	Duty.....2025 00					
	Freight.....711 00					
	Dues, &c.....55 00					
	<u>Cooperage, portorage, &c....</u>					2791 00
✓	" Carriage hire.....			6 70		6 70
11	" Port Wine (per the Anne)—					
	Freight, Duty, &c.....					1382 10
5	4 J. Wa'son.....				103 20	1960 80
✓	5 Taxes.....			21 50		21 50
11	6 Tea (per The Mary)—					
	Freight, Duty, &c.....					1112 00
9	11 Un. Bank.....					492 00
✓	" Cash Purchases.....	60 40				60 40
✓	12 Shipping Charges.....			10 00		10 00
11	" Coffee (per The Mary)—					
	Freight, Duty, &c.....					809 70
9	15 Un. Bank.....					720 00
7	18 Marine Insurance Co.....					20 00
✓	19 Salaries.....			84 40		84 40
✓	23 Bills Payable, No. 1.....		1200 00			1200 00
5	25 J. Watson.....				16 65	316 35
15	30 J. Hamilton.....					120 00
15	" R. Boyd.....					100 00
	Cash on hand.....					225 79
10	31 Goods—Cash Purchases.....	103 40				
9	" Bills Payable.....		1200 00			
13	" Trade Expenses.....			122 60		
SECOND POSTING.						
12	" Discounts by amount allowed By Sundries.....				119 85	
12	" Cash—By amount paid to Sund- ries—less cash in hand.....	22549 95				22775 74

Dr.

CASH.

		Discount.	Cash.
18- Feb.			
1	Cash in hand.....		225 79
✓ "	Cash sales.....		27 00
1	J. Pringle.....	104 13	1978 37
✓ 2	Bills Rec., No. 3 Disc't'd.....	3 50	815 32
3	W. Forbes.....	0 26	4 94
✓ "	Cash Sales.....		30 50
4 9	R. Ireland.....	21 75	413 33
9 12	Un. Bank.....		200 00
✓ 17	Bills Rec., No. 4 Disc't'd.....	5 00	460 00
✓ "	Cash Sales.....		36 85
3 20	G. Smith.....	14 90	283 15
✓ "	Cash sales.....		33 50
9 23	Un. Bank.....		2400 00
✓ 25	Bills Rec., No. 5 Disc't'd.....	2 25	560 00
2 "	J. Addison.....		800 00
✓ "	Cash sales.....		39 50
✓ 28	Bills Rec., No. 7 Disc't'd.....	5 53	962 00
9 "	Un. Bank.....		1400 00
10	" Goods—Cash Sales.....* 167 35		
9	" Bills Receivable.....* 2813 60		
	*These are the sums total for the month.		
	*The Bills Rec. entered in the Cash-book were discounted at the Bank. Bills are often not discounted, but paid away, sometimes at their full value, in settlement of a/cs. In such cases the entres are as under :—		
	On the Dr. side—		
	Bills Receivable, No. 2.....\$23 30		
	On the Cr. side—		
	J. Watson, New York.		
	Bills Rec, No. 2.....\$23 30		
	SECOND POSTING.		
12	Disc't—To am't allowed to Sundries...	157 32	
12	Cash—To am't Rec. from Sundries, less cash on hand.....		10670 25

CASH.

	18— Feb		Discount.	Cash.
9	1	Un. Bank		1560 00
7	"	J. Reid.....		446 21
✓	2	Tr. Exp.—Salaries	23 49	33 00
9	"	Un. Bank.....		320 00
✓	"	Bills Payable No. 2		500 00
✓	"	Cash Purchases.....		69 20
✓	9	Tr. Expenses—Salaries		28 80
✓	"	" Postage Stamps.....		3 00
15	10	R. Boyd		60 00
✓	"	Tr. Expenses—Taxes		10 00
11	12	Coffee—(per the Ann, Freight, Duty, Cooperage &c.....		520 00
✓	14	Tr. Expenses—Bro. Wrapping		1 75
✓	15	" Salaries.....		29 60
15	17	J. Hamilton.....		120 00
✓	"	Cash purchases		68 00
9	"	Un. Bank.....		300 00
13	18	Insurance on Goods to A. Gregory, Calcutta		25 00
✓	23	Bills Payable No. 3.....		2463 10
9	25	Un. Bank.....		1400 00
✓	28	Bills Payable No. 4		2288 70
7	"	D. Mortimor & Son.....	11 41	217 04
	"	Cash on hand.....		206 85
10	"	Cash Purchases.....*		137 20
9	"	Bills Payable.....*		5251 80
13	"	Trade Expenses.....*		106 15
		*(These are the sums total for the month)		
		SECOND POSTING.		
12	"	Disc't—By am't. allowed by Sundries...	34 90	
12	"	Cash—By am't paid to Sundries less on hand.....		10670 25

Dr.

CASH

		Discount.	Cash.
18—	Mar		
✓	1		Cash on Hand..... 206 85
✓	"		Bills Rec., No. 8 Discounted..... 304 00
✓	"	1 00	Cash Sales..... 19 00
5	4		J. Thomson..... 69 85
✓	"	3 68	Un. Bank..... 1500 00
✓	"		Cash Sales..... 19 00
✓	5		Bills Rec., No. 10 Discounted..... 497 50
2	7	2 50	J. Dundas..... 333 00
✓	"		Cash Sales..... 18 65
9	11		Un. Bank..... 300 00
4	15		J. Pringle..... 215 15
✓	"	11 32	Cash Sales..... 6 50
✓	20		Bills Rec., No. 11 Discounted..... 495 00
✓	22	5 00	Cash Sales..... 10 50
2	"		J. Addison, composition of 50c on the \$1..... 372 95
9	23		Un. Bank..... 920 00
5	30		G. Knight..... 1232 20
✓	"		Cash Sales..... 19 65
2	"		A. Gregory, Drawback on Paper..... 84 60
10	31		Goods—Cash Sales..... 93 60
9	"		Bills Rec., including Discount..... 1305 00
NOTE.—If desired a monthly abstract may be made on both sides of the Cash-book as under.			6624 70
ABSTRACT.			
Cash on Hand..... 206 85			
Cash Sales..... 93 60			
A/cs Received..... 2307 75			
Bills Receivable..... 1296 50			
Un. Bank..... 2720 00			
\$6624 70			
SECOND POSTING.			
12	Discount—		
	To Amount allowed to Sundries.....	23 50	
12	Cash—		
	To Am't Rec'd from Sundries, less Cash on Hand.....		6417 85

CASH.

Cr.

18— Mar.		Discount.	Cash.
9	I Union Bank.....		400 00
✓	„ Salaries, Tr. Expense.....		23 20
7	4 J. Reed.....	30 00	570 00
✓	„ Bills Payable, No. 5.....		1000 00
15	5 R. Boyd.....		160 00
✓	„ J. Hamilton.....		140 00
✓	„ Rent.....		340 00
✓	„ Salaries.....		30 40
✓	10 Cash Purchases.....		23 40
✓	11 Bills Payable, No. 8.....		400 00
✓	15 Salaries, 30 00. Stamps, 3 00.....		33 00
9	20 Un. Bank.....		600 00
9	22 „.....		400 00
7	23 Robertson & Co.....	41 28	784 22
✓	24 Cash Purchases.....		43 40
✓	31 J. Wilson.....		108 00
✓	„ Salaries.....		30 00
✓	„ Expressage.....		1 10
9	„ Un. Bank.....		1264 00
15	„ R. Boyd.....		60 00
10	„ Goods—Cash Purchases.....	66 80	
9	„ Bills Payable.....	1400 00	
13	„ Trade Expenses.....	457 70	
	„ Cash on Hand.....		213 98
	ABSTRACT.		6624 70
	Cash Purchases.....	\$ 66 80	
	A/cs Paid.....	1462 22	
	Bills Payable.....	1400 00	
	Trade Expenses.....	457 70	
	Union Bank.....	2664 00	
	R. Boyd.....	220 00	
	J. Hamilton.....	140 00	
	Cash on Hand.....	213 98	
		\$6624 70	
	SECOND POSTING.		
12	Discount—		
	By Amount allowed by Sundries.....	71 28	
12	Cash—		
	By Amount paid to Sundries, less Cash on Hand.....		6410 72

BILLS.

	When Rec'd.	No	From whom received.	Am't.	Date.	Term.	When Due.	Entered in Cash- book.
	18—				18—		18—	
2	Jan. 10	1	T. Dundas	200 00	Jan. 8	1 mo.	Feb. 11	Jan. 11
2	" "	2	Do	231 30	" "	2 "	Mar. 11	" 31
3	" 31	3	R. Hall	818 82	" 29	2 "	Apr. 1	Feb. 2
9	" "		To am't rec'd from Sundries	1250 12				
3	Feb. 14	4	W. Forbes	465 00	Feb. 14	3 "	May 17	Feb. 17
3	" 14	5	G. Smith	562 25	" 14	1 "	Mar. 17	" 25
4	" 20	6	A. Logan	1189 00	" 18	3 "	May 21	
2	" 26	7	F. Milner	967 53	" 30	1 "	Mar. 23	
9	" 28		To amt rec'd from Sundries	3183 78				
4	Mar. 2	8	T. Simpson	305 00	Mar. 1	1 "	Apr. 4	Mar.* 1
5	" 7	9	W. Jordan	422 50	" 7	4 "	July 10	
1	" 20	10	J. Arnold	500 00	" 19	1 "	Apr. 22	Mar. 5
1	" "	11	Do	500 00	" 19	2 "	May 22	" 20
1	" "	12	Do	523 70	" 19	3 "	June 22	
3	" "	13	G. Campbell	700 00	" 17	2 "	May 20	
3	" "	14	Do	825 63	" 17	3 "	June 20	
9	" 31		To am't rec'd from Sundries	3776 83				
On Posting the Bill-book see p. 24.								

Bills when discounted or any way
disposed of are ent'd in the Cash-
book and the dates filled in here.

(2)

DOUBLE ENTRY.

55

RECEIVABLE.

By whom drawn.	On whom drawn.	To whom payable.	Where payable.	Jan.	Feb.	Mar.	Apr.	May.	June.	July.	Aug.	Sep.	Oct.	Nov.	Dec.
H. & B. ..	T. Dundas ..	Hamilton & Boyd....	N. Y. Mon.		11										
T. Dundas.	A. Bro..	T. Dundas.				11		1							

BILLS.

When Accep'd	No	By whom drawn.	Am't.	Date.	Term.	When Due.	Entered in Cash book
18—				18—		18—	18—
5 Jan. 10	1	J. Watson	1200 00	Jan. 10	10 d/s	Jan. 23	Jan. 23
6 " 20	2	T. Johnson	500 00	" 20	10 d/s	Feb. 2	Feb. 2
6 " 20	3	Do	2463 10	" 20	1 mo	" 23	" 23
7 " 25	4	Mortimer & Son...	2288 70	" 25	1 "	" 28	" 28
9 " 31		By amt. Granted to Sundries	6451 80				
6 Feb. 1	5	T. Johnson	1000 00	Feb. 1	1 "	Mar. 4	Mar 4
6 " 1	6	Do	1531 50	" 1	2 "	Apr. 4	
7 " 2	7	A. Robertson...	900 00	" 2	2 "	" 5	
7 " 8	8	Mortimer & Son...	400 00	" 8	1 "	Mar 11	
7 " 20	9	J. Reid	497 50	" 20	3 "	May 23	" 11
9 " 28		By amt. Granted to Sundries	4329 00				
6 Mar. 3	10	W. Graham	750 00	Mar. 3	30 d/s		
6 " "	11	Do	750 00	" "	60 d/s		
8 " 10	12	J. Anderson	293 30	" 10	1 mo.	Apr. 13	
9 " 31		By amt. Granted to Sundries ...	1793 30				

(4)

DOUBLE ENTRY.

57

PAYABLE.

To whom payable.	Where payable.	Jan.	Feb.	Mar.	Apr.	May.	June.	July.	Aug.	Sep.	Oct.	Nov.	Dec.
		23	2 23 28		I								
				4		4 5							
				II		23							

INDEX.

PAGE.	PAGE.
Arnold, James..... 1	Interest..... 12
Addison, Jno..... 2	Insurance..... 13
Anderson, Jno..... 8	
Black, Wm..... 8	Jordan, W..... 5
Bills Receivable..... 9	Johnston, T..... 6
Bills Payable..... 9	
Bad Debts..... 13	Knight, Geo..... 5
Balance Sheet..... 15	
Boyd, Robert..... 15	Logan, A..... 4
Campbell, Geo..... 3	Milner, F..... 2
Cunningham, R..... 8	Mortimer, D. & Son..... 7
Cameron, James..... 8	Marine Ins. Co..... 7
Coffee..... 11	
Counting House & Ware-	Pringle, J..... 4-1
house Furniture..... 12	Paper..... 10
Cash..... 12	Port Wine..... 11
Commission..... 13	Profit and Loss..... 14
Dundas, T..... 2	Reid, Jas..... 7
Discount..... 12	Robertson & Co..... 7
Edwards, James..... 1	Smith, Geo..... 3
	Simpson, T..... 4
Forbes, W..... 3	Sugar..... 11
Gregory, A..... 2	Turner, Jno..... 1
Graham, W..... 6	Thomson, W..... 5
Goods (General a/c)..... 10	Tea..... 11
Goods on Commission.. 10	Trade Expenses..... 13
	Trial Balance..... 14
Hall, R..... 3	Union Bank..... 9
Hamilton, Jas..... 15	
Ireland, R..... 4	Watson, J..... 5
Irving, J. & Co..... 6	Wilson, Jno..... 6

DOUBLE ENTRY.

59

Stock-book, March 31, 18—.

/10/	10/20	Pcs. Blk' cloth.....	200	290	580 00
	6	" Print.....	180	12 1/2	22 50
	3	" Fch. Cashmere.....	95	95	90 25
	2	" Velvet.....	60	250	150 00
	12	" Linen Shirting.....	362	30	108 60
		Sundries (in business all particulars are entered).			638 20
		This sum entered in the Ledger under Goods.			7332 55
		Duty Freight &c.....			260 00
/11/	6	Tierces Coffee, Gro. 337, Tare 340—2987	20		597 40
		Entered in the Ledger under Coffee.			==
/11/	2	Pipes Wine.....			556 42
		Entered in the Ledger under Wine.			==
		The Coffee and Wine are entered by themselves because separate a/cs for them are kept in the Ledger.			==
		Counting House Furniture.....			475 00 .
		This is entered in the Ledger, page 71.			

Books on Commission, J. Wilson, on hand, March 31, 18—

/10/	Sundries.....	359 20
	These goods are entered to the Dr. of J. Wilson's a/c in the Ledger as balance due to him, but not included in the inventory of H. & B.'s own goods, as they belong to J. Wilson.	
	For a similar reason the 8 chests of Tea on hand as per Warehouse-book, to W. Black, who sent them on sale.	

Dr.

Jas. Arnold.

Cr.

18—	Jan 1	To Mdse.....	1	1528 00	18—	Jan 3	By Cash.....	1	1451 60
Feb 18	"	Do	6	100 70	"	"	Disct.....	1	76 40
Mar 4	"	Do	8	2 60	Mar 20	"	3 Bills.....	1	1523 70
" 18	"	Do	10	1340 40					
"	"	Do + Mar. 4, Under- posted		80 00					
				3051 70					3051 70

* Posted incorrectly to show the way of rectifying the error.

† The error of Mar. 4th is rectified by making this entry as soon as the error is discovered.

Jno. Turner.

18—	Jan 2	To Goods	1	102 50	18—	Jan 5	By Cash	1	97 37
Mar 14	"	Do	9	1004 50	"	"	Disct.....	1	5 13
" 26	"	Do	11	214 00	Mar 31	"	Balance		1218 50
				1321 00					1321 00
Apr 1	To Balance			1218 50					

J. Pringle.

18—	Jan 3	To Goods	1	888 00	18—	Jan 4	By Cash	1	843 60
" 12	"	Do	2	2082 50	"	"	Disct.....	1	44 40
Mar 14	"	Do	9	226 47	Feb 1	"	Cash	3	1978 37
					" 1	"	Disct.....	3	104 13
		To folio.....	4	3196 97			To folio.....	4	2970 50

J. Edwards.

18—	Jan 5	To Goods.....	1	23 75	18—	Jan 9	By Cash	1	13 06
					"	"	Disct.....	1	0 69
					"	"	Goods, J. & S. over- posted		10 00
				23 75					23 75

This is posted \$10.00 too much; the error is rectified by making an entry on the Cr. side as soon as mistake is found.

(2)

DOUBLE ENTRY.

61

Dr.

Th. Dundas.

Cr.

18—						18—					
Jan 8	To Goods.....	2	432 30			Jan 10	By 2 Bills, No. 1, 2.....	1	431 30		
17	" do	3	53 25			" 17	" Goods—				
	*Posted by mistake to T. Dundas instead of J. Adison. (See entry on Cr. side.)						Posted in error. Carried to J. Adison's a/c.....		2	53 25	
Mar 6	To Goods.....	8	333 00			Mar 7	By cash.....	5	333 00		
16	" do	10	960 00			" 31	" Balance.....		960 00		
			1777 55							1775 55	
Apr 1	" Balance.....		960 00								

F. Milner.

18—						18—					
Jan 10	To Goods.....	2	802 50			Jan 15	By Cash.....	1	762 37		
Feb 19	" Do	6	967 53			" 26	" Do	1	40 13		
						Feb 26	" Bill due Mar. 23.....	1	967 53		
			1770 03							1770 03	

A. Gregory.

18—						18—					
Jan 16	To Goods.....	2	802 50			Mar 30	By Cash—				
Feb 18	" Do	6	882 10				Drawback on }				
						" 31	Paper..... }	5	84 60		
			1684 60				" Balance		1600 00		
Apr 1	To Balance		1600 00						1684 60		

J. Adison.

18—						18—					
Jan 17	To Goods.....	2	53 25			Jan 20	By Cash.....	1	50 59		
Feb 4	" Do	5	1545 90			" 25	" Disc't	1	2 66		
						Feb 25	" Cash	3	800 00		
						Mar 22	" Do	5	372 95		
							(Composition.)				
			1599 15			" "	" Bal'ce (Bad Debts a/c).....	13	372 95		
									1599 15		

Dr.

W. Forbes.

Cr.

18- Jan 17	To Mdse	3	5 20	18- Feb 2	By Cash & Dist.....	3	5 20
Feb 14	" Do	5	465 00	" 14	" Bill due May 17.....	1	465 00
			470 20				470 20

R. Hall.

[illegible]

G. Campbell.

18— Jan 25	To Goods.....	4	992 23	18— Mar 20	By Bill due May 20.....	1	700 00
Mar 9	" Do	9	533 40	" "	" Do June 20.....	1	825 63
			<u>1525 63</u>				<u>1525 63</u>

G. Smith.

[illegible]

DOUBLE ENTRY.

Dr.

R. Ireland.

Cr.

J. Pringle.

A. Logan.

T. Simpson.

18- Feb	20 To Goods.....	6	305	00	18- Mar	2 By Bill due April 4.....	1	305	00
------------	------------------	---	-----	----	------------	----------------------------	---	-----	----

Dr.

W. Jordan.

Cr.

18-						18-					
Mar	1	To Mdse	8	422	50	Mar	7	By Bill due July 10...	1	422	50
"	28	" Do	11	1157	60	"	31	" Balance.....		1157	60
				1580	10					1580	10
Apr	1	To Balance		1157	60						

W. Thomson.

18-						18-					
Mar	1	To Goods	8	73	53	Mar	5	By Cash	5	69	85
"	18	" Do	9	81	30	"	5	" Disc't	5	3	68
						"	31	" Balance		81	30
				154	83					154	83
Apr	1	To Balance		61	80						

G. Knight.

18-						18-					
Mar	4	To Goods	8	1152	00	Mar	30	By Cash	5	1232	20
"	11	" Do	9	80	20	"	31	" Balance.....		2705	60
"	26	" Do	10	2705	60						
				3937	80					3937	80
Apr	1	To balance.....		2705	60						

Jno. Watson.

18-						18-					
Jan	4	To Cash	2	1960	80	Jan	1	By Goods.....	1	2064	00
"	"	" Disc't.....	2	103	20	"	16	" Do	2	1533	00
"	10	" Bill due Jan. 23.....	3	1200	00						
"	25	" Cash	2	316	35						
		" Disc't.....	2	16	65						
				3597	00					3597	00

Dr.

Th. Johnston.

Cr.

18—				18—			
Jan 20	To 2 Bills	3	2063 10	Jan 1	By Goods	1	2063 10
Feb 1	" do due Mar. 4 ...	3	1000 00	Mar 13	" Do	4	3031 50
" "	" do. " Apr. 4 ...	3	1531 50				
Mar 31	" Balance		500 00				
			<u>5904 60</u>				<u>5904 60</u>
				Apr 1	By Balance		500 00

J. Irving & Co.

				18—			
				Jan 1	By Goods	1	1437 50

J. Wilson.

18—				18—			
Mar 31	To Goods on Hand, taken from Stock- book	12	359 20	Jan 6	By Goods	1	20 40
" "	To Commission	12	12 00	Feb 17	" Do	3	103 90
" "	" Cash	6	108 00	Mar 4	" Do	4	345 90
	Not ent'd in the a/c book as a debt, J. W.'s a/c being settled up to Mar. 31. The goods on hand not payable or due until sold (see Goods on Commission, p. 69.)		<u>479 20</u>				<u>479 20</u>
				Apr 1	" Goods in Hand		359 20

W. Graham.

18—				18—			
Mar 3	To 3 Bills, 30 and 6 d/s sight	3	1500 00	Jan 12	By Goods	2	2009 60
30	31 " Balance		1741 80	Feb 12	" Do	3	1232 20
			<u>3241 80</u>				<u>3241 80</u>
				Apr 1	By Balance		1741 80

Dr.

D. Mortimor & Son.

Cr.

18—					18—				
Jan 25	To Bill due Feb. 28.....	3	2288	70	Jan 15	By Goods.....	2	2288	70
Feb 8	" Do. Mar. 11.....	3	400	00	Feb 1	" Do	3	583	75
" 28	" Cash	4	217	04	Mar 26	" Do	4	394	70
" "	" Disc't.....	4	11	41					
Mar 31	" Balance		350	00					
			3267	15				3267	15
					Apr 1	By Balance		350	00

Marine Ins. Co.

18—					18—				
Jan 18	To Cash	2	20	00	Jan 16	By Insurance	2	20	00

J. Reid.

18—					18—				
Feb 1	To Cash	4	446	21	Jan 16	By Goods	2	469	70
" 1	" Disc't	4	23	49	Feb 16	" Do	3	497	50
" 20	" Bill due May 23.....	3	479	50	Mar 1	" Do	4	1134	70
Mar 7	" Cash	6	570	00	" 20	" Do	4	585	35
" "	" Disc't.....	6	30	00					
" 31	" Balance.....		1120	05					
			2687	25				2687	25
					Apr	By Balance		1120	05

A. Robertson & Co.

18—					18—				
Feb 2	To B1 l due April 5th...	3	900	00	Jan 25	By Goods	2	900	00
Mar 23	" Cash	6	784	22	Feb 6	" Do	3	825	50
" "	" Disc't.....	6	41	28					
			1725	50				1725	50

Dr.				Bank.				Cr.			
18—				18—							
Jan 1	To Cash	2	10800 00	Jan 6	By Cash	1	600 00				
9	"	2	492 00	12	"	1	800 00				
15	"	2	720 00	23	"	1	1500 00				
Feb 1	"	4	1560 00	Feb 12	"	3	200 00				
2	"	4	320 00	2	"	3	2400 00				
17	"	4	300 00	2	"	3	1400 00				
25	"	4	1400 00	Mar 4	"	5	1500 00				
Mar 1	"	6	400 00	17	"	5	300 00				
20	"	6	600 00	23	"	5	920 00				
22	"	6	400 00	31	Balance		8721 00				
31	"	6	1264 00								
"	Interest	11	85 00								
			18341 00								
Apr 1	To Cash in Bank		8721 00								

Bills Receivable.

18—				18—			
Jan 31	To Am't rec'd Sundries	1	1250 12	Jan 31	By Cash and Dis	1	431 30
Feb 28	" Do.	1	3183 78	Feb 28	" Do.	3	2813 60
Mar 31	" Do.	1	3776 83	Mar 31	" Do.	5	1305 00
				"	Balance		3660 83
			8210 73				8210 73
Apr 1	To Bills rec'd on Hand		3660 83				

Bills Payable.

18—				18—			
Jan 31	To cash paid Sundry Bills	2	1200 00	Jan 31	By Am't grt'd Sundries	3	6451 80
Feb 28	" Do.	4	5251 80	Feb 28	" Do.	3	4329 00
Mar 31	" Do.	6	1400 00	Mar 31	" Do.	3	1793 30
"	Balance		4722 30				
			12574 10				12574 10
				Apr 1	" Bills due by C & B		4722 30

Dr.

Goods, General a/c.

Cr.

18—			Credit.	Cash		18—		Credit.	Cash	
Jan 31	To Pur		5721 50	103 40	5824 90	Jan 31	By Sls	963 45	228 35	1191 80
Feb 28	"		2268 05	137 20	2337 25	Feb 28	"	2843 53	167 35	3010 88
Mar 31	"		5641 40	66 80	5708 20	Mar 31	"	3456 35	93 60	3549 95
			13562 95	307 40				7263 33	489 30	
	" To Profit, car. to P.&L.	14			1214 83*		" By Goods u sold as			
							Stock-book.....	59		7332 55*
					15085 18*					15085 18*
Apr 1	" Goods Unsold.....				7332 55*					

Goods on Commission.

18—					18—				
Jan 6	To Rec. from J. Wilson	1	29 40		Jan 5	By Sales, J. Edwards..	1	13 75	
Feb 17	" "	3	103 90		Feb 18	" " J. Arnold.....	6	100 70	
Mar 4	" " Profit, car. f'm P.&L.	4	345 90		Mar 4	" " Goods unsold as	8	82 60	
" 31		14	77 05*		31	Stock-book.....	59	359 20*	
			556 25*					559 25*	
Apr 1	" Goods on Hand.....		359 20*						

Paper.

18—					18—				
Jan 1	To amt. bt. fr J. Watson	1	2064 00		Jan 1	By Sales, J. Arnold.....	1	1528 00	
Jan 16	" " Profit, car. to P.&L.	2	1533 00		Jan 16	" " A. Gregory....	2	780 00	
Mar 31		14	903 50*		Feb 18	" " J. Arnold.....	6	852 10	
			4500 50*		Mar 18	" " "	10	1340 40	
								4500 50	

* The asterisks beside the figures on this and following pages, show the sums that are to be left out in adding up the columns for the Trial Balance (page 73), as they are supposed at the time of making the Balance not to be as yet entered in the Ledger.

Dr.		Coffee.		Cr.			
18—				18—			
Jan 12	To rec. fr. W. Graham.	2	1954 60	Jan 12	By Sales—J. Pringle....	2	2082 50
" 25	" " Cash, fr'ght, duty, &c	2	809 70	" 25	" " G. Campbell	4	992 23
" 25	" " Amt. rec. fr. Robert-son & Co.	2	900 00	Feb 19	" " F. Milner	6	967 53
Feb 12	" " " W. Graham	3	1194 80	Mar 16	" " T. Dundas	10	960 00
" "	" " Cash, fr'ght, duty, &c	4	520 00	" 19	" " J. Pringle	10	1170 00
Mar 31	" " Profit—car. to P. & L.	14	1650 56*	" 31	" " 6 tierces unsold.....	59	857 40*
			7029 66*				7029 66*
Apl 1	" " 6 tierces unsold.....		857 40*				

Tea—on consignment from W. Black, Canton.

18—				18—			
Jan 6	To cash, fr'ght, duty, &c	2	1112 00	Jan 8	By sales—T. Dundas..	2	431 36
Mar 31	" " Interest.....	12	19 46	" 30	" " G. Smith....	4	562 25
" "	" " Commission.....	12	93 00	Mar 6	" " T. Dundas....	8	333 00
" "	" " W. Black nett pro- ceeds due April 6	8		" "	" " G. Campbell	9	533 40
	Carried to the Cr. of W. Black's a/c...		635 49				
			1859 95				1859 95

Sugar—on consignment from J. Cameron.

18—				18—			
Jan 1	To Cash, freight, duty, &c	2	2791 00	Jan 20	By sales—R. HaM.....	3	818 82
Mar 31	" Interest	12	65 22	Mar 4	" " G. Knight.....	8	1152 00
" "	" Commission	12	287 79	" 26	" " "	10	2705 60
" "	" J. Cameron — Nett proceeds due Apl 20	8	2611 69	" 29	" " J. Pringle	11	1079 25
	Carried to J. Camer- on's a/c		— —				— —
			5755 70				5755 70

Port Wine.

16—				18—					
Jan	1	To bot. of Irving & Co.	1	1400 00	Jan	3	By sales—J. Pringle...	1	888 00
"	"	" Freight, duty, &c.	2	1382 10	Feb	7	" " A. Logan....	5	1189 00
Mar	31	" Profit -- carried to P. and L.....	14	156 32*	Mar	20	" " T. Simpson.	6	305 00
					Mar	31	" 2 pipes as Stock- book.....	59	556 42*

Dr.

Office Fixings.

Cr.

18—					18—				
Jan 1	To Cash.....	2	500 00		Mar 31	By Wear & Tear, 5 %/s.	13	25 00	
						" " Balance		475 00	
			500 00					500 00	
Apr 1	" Balance.....		475 00						

Cash.

18—					18—				
Jan 31	To Rec'd Sundries.....	1	22775 74		Jan 31	By Sundries	2	22540 95	
Feb 28	" "	3	10444 46		Feb 28	" "	4	10463 40	
Mar 31	" "	5	6417 85		Mar 31	" " Balance	6	6410 72	
								213 98	
			39638 05					39638 05	
Apr 1	" Cash on Hand.....		213 98						

Discount.

18—					18—				
Jan 31	To Sundries.....	1	171 91		Jan 31	By Sundries.....	2	119 85	
Feb 28	" "	3	157 32		Feb 28	" "	4	34 90	
Mar 31	" "	5	23 50		Mar 31	" "	6	71 28	
	" " Am't estim'd on					" Loss carried to P. & L.	14	190 54*	
	Unsettled a/c.....		63 84*					416 57*	
	Car. forward.....)		416 57*						
					Apr 1	By Estim't'd am't for-		63 84*	
						ward.....			
						(Entered in the Bal-			
						ance Sheet to make			
						allowance for unpaid			
						a/cs.)			

Interest.

18—					18—				
					Mar 31	By Bank.....	11	85 00	
						" " Tea	12	19 46	
						" " Sugar.....	12	65 22	
Mar 31	To Profit car. to P. & L.	14	169 68*					169 68	

Dr.

Insurance.

Cr.

18-Jan	1	To amt. chg. by Irving & Co.....	1	35 70	18-Feb	16	By charg'd A. Gregory	2	20 00
"	12	" " W. Graham	2	50 00	"	18	" " Balance to "Trade	6	25 00
"	16	" " Mar. Ins. Co.	2	20 00	Mar	31	" " Expense a/c....	13	119 70
Feb	12	" " W. Graham.	3	34 00					
"	18	" Cash, Ins. on Goods to Gregory.....	4	25 00					
				164 70					164 70

Commission.

18—					18—				
Jan	1	To chg. by Irving & Co.	1	1 80	Jan	16	By chg. to A. Gregory.	2	2 50
"	12	" " W. Graham	2	5 00	Feb	18	" " " "	6	5 00
Feb	12	" " " "	3	3 40	Mar	31	" " J. Wilson....	12	12 00
Mar	31	" Profit car. to P. & L.	11	390 09*	"	"	" " Tea.....	12	93 00
					"	"	" " Sugar.....	12	287 79
				400 29*					400 29

Bad Debts.

18—					18—			
Mar 22	To J A.'s a/c Balance.	2	372 95					
" 31	" R.H. " "	3	99 50					
			472 45		Mar 31	By Loss car. to P. & L.	14	472 45*

Trade Expenses.

18—		Rents	Salaries.	Sun.	18—	
Jan 31	To Csh	21 50	84 40	16 70	122 60	
Feb 28	"	10 00	91 40	4 75	106 15	
Mar 31	"	340 00	113 60	4 10	457 70	
"	"	" Office Fixings				
"	"	" Wear & Tear		12	25 00	
"	"	" Insurance		13	119 70	
		371 50	289 40	25 55	831 15	Mar 31 By Loss car. to P.&L. 14
						831 15

Dr.

Trial Balance-

Cr.

18 -				18 -			
Mar. 31	To page.....	1	1218 50	Mar 31	By page.....	1	0 00
	"	2	2560 00		"	2	0 00
	"	3	0 00		"	3	0 00
	"	4	2445 53		"	4	0 00
	"	5	3944 50		"	5	0 00
	"	6	0 00		"	6	4038 50
	"	7	0 00		"	7	1470 05
	"	8	0 00		"	8	3742 33
	"	9	12381 83		"	9	4722 30
	"	10	17946 55		"	10	12450 18
	"	11	8161 20		"	11	8554 26
	"	12	1041 71		"	12	395 71
	"	13	1313 80		"	13	400 29
	"	14	0 00		"	14	0 00
	"	15	760 00		"	15	16000 00
			51773 62				51773 62

In adding pages 10 to 15 omit all sums marked *. Also Profit and Loss, page 14; and Balance Sheet, page 15.

The Trial Balance is drawn up before making the various entries for Profit and Loss and Goods on Hand in the a/cs from pages 10 to 15 of Ledger. All entries with a * must be omitted, and the a/cs in which they occur understood as not balanced at this stage. The Profit and Loss and Balance Sheet are not entered at all, and the firm a/cs to contain amounts only paid in or drawn from the business.

Profit and Loss.

18 -				18 -			
Mar. 31	To Loss Disct...	12	190 54	Mar 31	By Profit. Gene-	10	1214 83
	" " Bad debts..	13	472 45		ral goods a/c		
	" " Trade Exp. 13	831 15			" " Com. do.	10	77 05
	" " Bal. forward	3067 89			" " Paper.....	10	903 50
					" " Coffee.....	11	1650 56
					" " Port Wine...	11	156 32
					" " Interest....	12	169 68
					" " Commission	13	390 09
			4562 03				4562 03
	" To J. Hamilton,		1533 94½		" Balance....		3067 89
	his ½ profit		1533 94½				3067 89
	" " R. Boyd....		3067 89				

Dr.

Balance Sheet—Hamilton & Boyd.

Cr.

18—				18—			
Mar 31	To Bills payable.....	9	4722 30	Mar 31	By goods unsold, general a/c.....	10	7332 55
" "	" a/cs due by H. & B.		8901 68	" "	" Port Wine.....	11	556 42
				" "	" Coffee.....	"	857 40
				" "	" Office fixings.....		475 00
	This is the total of the a/cs in the Ledger.						9221 37
	Estimated discount on unpaid a/cs.....		63 84		These sums are also entered in Stock book.		
			13677 82	" "	By a/cs due to H. & B.		10168 53
	To nett capital H. & B.		18307 89	" "	" Bills rec.....	9	8660 83
				" "	" Bank.....	9	8721 00
				" "	" Cash on hand.....	12	213 98
			31985 71				31985 71

J. Hamilton.

18—				18—			
Jan 30	To Cash.....	2	120 00	Jan 1	By Cash	1	8000 00
Feb 17	" "	4	120 00	Mar 31	" Profit, his $\frac{1}{2}$ share.		1533 94 $\frac{1}{2}$ *
Mar 5	" "	6	140 00				
" 31	" Balance forward...		9153 94 $\frac{1}{2}$ *				
			9533 94 $\frac{1}{2}$ *				9533 94 $\frac{1}{2}$ *
				Apr 1	" Balance, $\frac{1}{2}$ capital...		9153 9 $\frac{1}{2}$ *

R. Boyd.

18—				18—			
Jan 30	To Cash	3	100 00	Jan 1	By Cash	1	8000 00
Feb 10	" Do	4	60 00	Mar 31	" Profit, my $\frac{1}{2}$ share		1533 94 $\frac{1}{2}$ *
Mar 5	" Do	6	160 00				
" 31	" Do	6	60 00				
" "	" Balance forward...		9153 94 $\frac{1}{2}$ *				
			9533 94 $\frac{1}{2}$ *				9533 94 $\frac{1}{2}$ *
				Apr 1	By Balance, my $\frac{1}{2}$ capital.....		9153 94 $\frac{1}{2}$ *

A/cs owing by Hamilton & Boyd, March 31st, 18—

T. Johnson.	Address.....	6	500 00
J. Irving & Co.	"	"	1437 50
W. Graham	"	"	1741 80
D. Mortimor & Co.	"	7	350 00
J. Read.	"	"	1120 05
R. Cunningham.	"	8	495 15
W. Black.	"	"	635 49
J. Cameron.	"	"	2611 69
			8891 68

The a/c Book contains a list of all a/cs owing to and by Hamilton & Boyd as taken from the Ledger. When any of them are paid the sums are entered in the outer money columns. It can thus be seen at a glance what a/cs are paid.

A/cs owing to Hamilton & Boyd, March 31st, 18—

J. Turner.	Address.....	1	1218 50
T. Dundas.	"	2	960 00
A. Gregory.	"	"	1600 00
R. Ireland.	"	4	196 25
J. Pringle.	"	"	2249 28
W. Jordan.	"	5	1157 60
W. Thomson.	"	"	81 30
G. Knight.	"	"	2705 60
			10168 53

Should be arranged alphabetically for easy reference.

HAMILTON & BOYD'S

A/cs	fol.	Ledger Trial Bal.		Goods Unsold.	Profit and Loss.	
		Dr.	Cr.		Dr.	Cr.
J. Turner.....	1	1218 50				
T. Dundas.....	2	960 00				
A. Gregory.....	2	1600 00				
R. Ireland.....	4	192 25				
J. Pringle.....	4	2549 28				
W. Jordan.....	5	1157 60				
W. Thompson.....	5	81 30				
G. Knight.....	5	2705 60				
T. Johnson.....	6		500 00			
J. Irving & Co.....	6		1437 50			
J. Wilson.....	6		359 20			
W. Graham.....	6		1741 80			
D. Mortimer & Son..	7		350 00			
J. Reed.....	7		1120 05			
R. Cunningham.....	8		495 15			
W. Black.....	8		635 49			
J. Cameron.....	8		2611 69			
Bank.....	9	8721 00				
Bills Rec.....	9	366 83				
Bills Payable.....	9		4722 30			
Merchandise.....	10	13870 35	7752 63	7332 55		1214 83
Do. on Com.....	10	479 20	197 05	359 20		77 05
Do. Paper.....	10	3597 00	4500 50	0 00		9 350
Do. Coffee.....	11	5379 10	6172 26	857 40		1650 56
Do. Wine.....	11	2782 10	2382 00	556 42		156 32
Office Furniture.....	12	475 00		475 00		
Cash.....	12	213 98				
Discount.....	12	352 73	226 03		190 54	
Interest.....	12		169 68			169 68
Commission.....	13	10 20	4 00 29			39 09
Bad Debts.....	13	472 45			472 45	
Trade Expenses.....	13	831 15			831 15	
J. Hamilton.....	15	380 00	8000 00			
R. Boyd.....	15	380 00	8000 00			
		51773 62	51773 62	9580 57		
W. Hamilton, one half nett gain.....					1533 94½	
R. Boyd, one half nett gain.....					1533 94½	
					4562 03	4562 03
W. Hamilton—To bal. nett capital.....						
R. Boyd—To bal. nett capital.....						

DOUBLE ENTRY.

77

BALANCE-SHEET—MODE NO. 2.

Hamilton,		Boyd.		Assets.	Liabilities.
Dr.	Cr.	Dr.	Cr.		
				1218 50	
				960 00	
				1600 00	
				196 25	
				2249 28	
				1157 60	
				81 30	
				2705 60	
					500 00
					1437 50
					0 00
					1741 80
					350 00
					1120 05
					495 15
					635 49
					2611 69
				8721 00	
				3660 83	
				7332 55	4722 30
				857 40	
				556 42	
				475 00	
				213 98	
					63 84
380 00	8000 90	380 00	8000 00		
	1533 94½		1533 94½		
9153 94½		9153 94½			9153 94½
9533 94½	9533 94½	9533 94½	9533 94½	3198 71	3198 71

APPENDIX.

COPIES OF A/CS. MERCANTILE TERMS, &c.

ABBREVIATIONS—

a/c	Account.	d/d.	Days after date.
Cr.	Creditor.	d/s.	Days after sight
Dr.	Debtor.	m/d.	Months after date.
D ^o . Ditto.	The same.	o/a.	On account of.
E.E.	Errors excepted.	o/c.	Per cent.
I.O.U.	I owe you.	@	At.
Inst.	Instant.	℥	Per.
Prox.	Next month.	B/L.	Bill of Lading.
Ult.	Last month.	L/c.	Letter of Credit.

ACCOUNT.—A statement showing the amount due by one to another for Goods, Cash, &c. And are kept under their several titles in the Ledger, from which they are copied.

EXAMPLE

Of an Account from a Wholesale Ledger:

Messrs. Johnson & Co.,
Albany.

To H. B. Claffin & Co.,
New York.

18— Feb.	4	To Mdse.....	1200	00		
	11	"	1350	00		
	25	"	1500	00	4050	00
	30	By Cash			2025	00
		Balance.....			2025	00

In rendering this a/c it is not necessary to give particulars as Invoices were sent by post.

A/c continued.

A/c from a Retail Ledger.

J. Smith, Esq.,
50 Main St.To J. Brown,
Chicago, March 12, 18—

18—			
Feb.	15	2 Pair Blankets	350 7 00
"	10	Yds. Silk	375 37 50
Mar.	12	5 " Satin	250 12 50
	6	Hose	100 6 00
	1	Towels	5 00
	1/2	Napkins	300 1 50
			69 50

In sending this a/c particulars are to be given, as no a/c was sent previously. The ledger is supposed to contain the sums-total of each entry, the particulars being found in the Day-book.

If the a/c is sent again it is as follows :—

J. Smith, Esq.,
Main.To J. Brown
Chicago.

18— Mch	12	To a/c rendered	\$69 50
------------	----	-----------------------	---------

When salaries are not paid in full to employees at stated times, but as required, the sums are entered in the cash-book, not under the heading of Trade Expenses, but in the person's name and posted to the Dr. of an a/c to be opened in his name, and finally closed by being carried to Salary A/c. A/cs are kept in the Ledger not only for individuals or firms, but also for the various branches of a merchant's business.

CASH-BOOK.

In the following example is shown the manner of placing the dates in the Cash-book used in actual business. In the preceding Cash-books the dates were placed in the margins to save room.

Dr.

CASH.

—Jan. 1st, 18.—		Discount.	Cash.
Cash on hand.....			101 10
Dr. Sales.....			30 10
James Mullen.....	74 00		1404
			1535 20
—Jan. 2nd, 18.—			
Bank.....			600 00
James Mulcahy.....	00 65		13 10
Bills Rec., No. 1.....	080		199 20
			2347 50
—Jan. 31st, 18.—			
James Davey, St. Louis.....	99 10		1881 80
Cash Sales.....			27 00
			4256 30
As this mode of Cash-book is given only to show the manner of placing the dates and balancing the Cash, the additional columns are omitted here.			

But in business the dates are placed in the centre of each page as shown below. As also a convenient way of balancing the Cash-book daily.

CASH.	Cr.																																				
—Jan. 1st, 18—	<table border="1"> <thead> <tr> <th data-bbox="884 459 974 487">Discount.</th><th data-bbox="1007 459 1069 487">Cash.</th></tr> </thead> <tbody> <tr> <td data-bbox="884 508 974 574"></td><td data-bbox="1007 508 1069 574"></td></tr> <tr> <td data-bbox="884 579 974 612"></td><td data-bbox="1007 579 1069 612">1000 00</td></tr> <tr> <td data-bbox="884 617 974 650"></td><td data-bbox="1007 617 1069 650">27 00</td></tr> <tr> <td data-bbox="884 655 974 688"></td><td data-bbox="1007 655 1069 688">3 50</td></tr> <tr> <td data-bbox="884 693 974 726">20 00</td><td data-bbox="1007 693 1069 726">380 00</td></tr> <tr> <td data-bbox="884 731 974 764"></td><td data-bbox="1007 731 1069 764">" "</td></tr> <tr> <td data-bbox="884 769 974 852"></td><td data-bbox="1007 769 1069 852"></td></tr> <tr> <td data-bbox="884 857 974 890"></td><td data-bbox="1007 857 1069 890">1410 50</td></tr> <tr> <td data-bbox="884 895 974 928"></td><td data-bbox="1007 895 1069 928"></td></tr> <tr> <td data-bbox="884 933 974 966"></td><td data-bbox="1007 933 1069 966">800 00</td></tr> <tr> <td data-bbox="884 971 974 1053"></td><td data-bbox="1007 971 1069 1053"></td></tr> <tr> <td data-bbox="884 1058 974 1091"></td><td data-bbox="1007 1058 1069 1091">2210 50</td></tr> <tr> <td data-bbox="884 1096 974 1129"></td><td data-bbox="1007 1096 1069 1129">2000 00</td></tr> <tr> <td data-bbox="884 1134 974 1167"></td><td data-bbox="1007 1134 1069 1167">45 80</td></tr> <tr> <td data-bbox="884 1172 974 1255"></td><td data-bbox="1007 1172 1069 1255">4256 30</td></tr> <tr> <td data-bbox="884 1260 974 1343"></td><td data-bbox="1007 1260 1069 1343"></td></tr> <tr> <td data-bbox="884 1348 974 1381"></td><td data-bbox="1007 1348 1069 1381"></td></tr> </tbody> </table>	Discount.	Cash.				1000 00		27 00		3 50	20 00	380 00		" "				1410 50				800 00				2210 50		2000 00		45 80		4256 30				
Discount.	Cash.																																				
	1000 00																																				
	27 00																																				
	3 50																																				
20 00	380 00																																				
	" "																																				
	1410 50																																				
	800 00																																				
	2210 50																																				
	2000 00																																				
	45 80																																				
	4256 30																																				
Un. Bank..... Cash Purchases..... Trade Expenses. Expressage on Goods..... Jas. Smith, Chicago Cash on hand\$124.70*																																					
*This is marked here to shew that the two sides balance when the cash on hand is taken into account.																																					
—Jan. 2nd, 18—																																					
Bills Payable No. 1 Cash on hand.....\$137 00																																					
—Jan. 31st, 18—																																					
Un. Bank..... Cash on hand.....																																					
The cash on hand is noted every day as above but not extended to the money columns till Jan. 31, when the Cash-Book is balanced for the month.																																					
A Petty Cash-Book is used for entering small sums																																					

COMMERCIAL TERMS.

Affidavit.—An oath or declaration as to the truth of a fact. In cases of bankruptcy, or where a debtor dies, persons lodging their claims or accounts, require sending their affidavits with them—

Assets.—The property of every description belonging to a person.

Bankruptcy.—A person unable to pay his debts is said to be insolvent.

Bank Cheque.—An order to pay a certain sum when the cheque is presented, drawn by a person who has money deposited with the bank.

Discounting Bills may be done at any period by a bank or bill broker. Discounting a bill consists in giving the money for it, less the interest.

An acceptance requires to be presented to the party on whom drawn, that he may accept of it. This is not necessary in a promissory note.

Presentment for Payment.—All bills require to be presented for payment the day they become due. If not presented they cease having the privileges of bills, becoming mere evidence of debt.

Noting and Protesting.—When a bill is not paid on presentation the holder applies to a Notary, who again presents it. If not paid he notes its non-payment, afterwards drawing out a formal protest, that legal steps may be taken for the amount. A bill should be noted on the day it is due, the protest may be written afterwards. When the acceptor of a bill fails to pay the amount, the holder can fall back for payment on the drawer or any of the indorsers, he giving them the earliest notice possible of non-payment.

Bills are used in settlement of a/cs and drawn at various dates. The usual term is three to six mos.

Bills are sometimes drawn at Sight or so many days after Sight. A Bill of the latter class is drawn by a person at a

distance from his debtor, and on writing it out and indorsing it he transmits it to an agent or bank in which the debtor resides. They sending it to the debtor to be sighted which consists in the debtor accepting it by signing his name as also marking the date he does so. The Bill is now negotiable, and on the third day after the day specified, is presented for payment.

Bills of Exchange are commonly drawn at so many days after sight, but for security in transmission are drawn in sets of three.

Days of Grace.—A bill drawn the 1st of August at 3 m/s is not legally due till the 4th of November. If the day a bill falls due happens to be a holiday or Sunday, it is payable the day following.

Bill of Entry.—A list of goods entered at the Custom House.

Bill of Lading.—A receipt on a printed form filled up with writing given by the master of a vessel for goods shipped with him. Four copies are usually drawn out. One for the master, another to be kept by the shipper, and two to be sent to the person to whom the goods are to be forwarded. The shipper gives the person he sends the bill to the right of receiving the goods.

A bill of lading like a bill of exchange may be endorsed over to another who then acquires the right to the goods.

Bonded Goods.—Imported goods left in a government warehouse until the duty is paid.

Capital.—The net amount of property belonging to a person after deducting his debts.

Clearing a Vessel.—Entering her name and an account of her cargo in Custom-house book on leaving port.

Commission.—A charge of so much per cent. for selling goods.

Company.—Two or more persons carrying on a business constitute a company, each being a partner. Companies are private and public. A private company is formed by arrangement among the parties, each having certain duties to perform and getting such share of the profits as agreed upon. No person can leave at his own pleasure, only after

a reasonable warning to allow of winding up the business, or put it in condition to pay him back his capital or the profits which are his due. No partner can transfer his share to another without the consent of the others.

Public Companies consist of a body of shareholders.

Composition.—A payment of so much on the \$ by a bankrupt to his creditors, they agreeing to take the sum for the full amount of their accounts.

Consul.—A Government officer in a foreign country, to look after the commercial affairs of his nation.

Credit is Selling Goods on Trust.—If, book-keeping, to credit a person is entering his name in your books as Cr. by the goods, Cash, etc., you received from him.

Creditor.—When you get money or goods on trust from another he is your creditor for the amount.

Cr.—The right-hand side in a Ledger or Cash-Book.

Debenture.—A certificate of mortgage or loan on railway or other works, and conveying authority to the holder of seizing the property in the event of the obligations of the deed not being fulfilled. Coupons accompany debentures for the receiving payment of interest at stated times.

Debit.—To debit a person in book-keeping is to enter his name in your books as Dr., to the goods, cash, &c., received from you.

Debtor.—One who owes another for goods, money, &c.

Dr.—The left-hand side in a Ledger or Cash Book.

Discount.—An allowance to banks or others for advancing money on bills before due. Applied also to the allowance made at the settlement of a/cs.

Dividend.—The profits divided among the shareholders of a company.

Drawback.—Applied to those duties of Customs which are repaid by government after a certain period, when goods on which they have previously been levied are exported, enabling the exporter to sell his goods in the foreign market unburdened with duties.

Exchange.—Applied to the remittances of money between different countries.

Firm.—The name under which persons carry on business.

Indorser.—A bill has been drawn, writes his name on the back of it, he indorses the bill.

Insolvent.—Unable to pay one's debts.

Insurance.—A contract engaging insurance companies to make good to the party insuring, losses he may sustain, of houses, merchandise, ships, &c. The persons taking the risk are insurers, the person protected the insured, the sum paid the insurers the premium, the contract the policy of insurance.

Interest.—The sum charged by one who lends money to another.

Invoice.—An account of goods sold or sent on a certain day by one person to another.

Lease.—An agreement between two persons in reference to the occupancy of houses, lands, &c.

Letter of Credit.—An order sent by one bank to another authorising to pay the bearer of the letter a certain sum specified, the same having been paid the banker granting the letter.

Manifest.—Contains a specific description of a ship with a list of the names of passengers and packages, &c., forming the cargo, and signed by the master at place of lading.

Order.—A request from one person to another to supply certain goods.

Partnership.—Two or more persons associated together in carrying on a business, each receiving such share of the profits as agreed upon.

Per Cent.—Applied to rates of interest, discounts, &c.

Posting.—Transferring to the Ledger the entries in the Day-Book, Invoice-Books, Cash-Book, and Bill-Book.

Price Current.—A list showing the market prices of things.

Principal.—Applied to money lent out at interest.

Receipt.—An acknowledgement of money received.

Salvage.—When a ship or its cargo has been saved from shipwreck at sea by uninterested persons, they are entitled to remuneration by the owner.

AVERAGE OF A/CS.

When one person owes another several debts, payable at different times, the rule determining the just time for a single payment of the whole, is called an average.

Rule 1. Multiply each debt by the time that must elapse before it will become due. (2ndly) Divide the sum of the products thus obtained, by the sum of the debts, and the quotient will be the time.

Rule 2. (1.) Multiply each debt, except the one that is payable earliest, by the difference between its time, and the time for that one. (2.) divide the sum of the products by the sum of the debts, and add the quotient to the time for the first debt.

Exam. 1. If a person owe another \$300, payable 4 m/s; \$500 payable 6 m/s, and \$400 payable $10\frac{1}{2}$ m/s, at what time may the whole be paid without loss to either person? Here by Rule 1. $300 \times 4 + 500 \times 6 + 400 \times 10\frac{1}{2} = 8400$, and $300 + 500 + 400 = 1200$, then $8400 \div 1200 = 7$ m/s the time required.

By Rule 2. Taking 4 months from 6 and from $10\frac{1}{2}$ we get 2 and $6\frac{1}{2}$. Then $500 \times 2 + 400 \times 6\frac{1}{2} = 3600$, and $3600 \div 1200 = 3$, lastly $3 + 4 = 7$, the time required.

Exam. 2. One dealer buys goods from another on credit as under, from what day of the month may the whole debt be regarded as commencing? March 2, \$80.00; March 7, \$50.00; March 17, \$100.00; March 20, \$60.00; March 26, \$25.00; March 30, \$45.00.

According to Rule 2, we multiply 50 by 5 (7-2) 100 by 15 (17-2) 60 by 18 (20-2) 25 by 24 (26-2) and 45 by 28 (30-2). The products 250, 1500, 1080, 600, 1260; the sum of which is 4690, while the sum of the debts is \$360, dividing 4690 by 360, we get 13; adding this to the first date 2, we find the debt \$360.00 may be regarded as contracted on the 15th March.

